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PART 50.

FURTHER CORRESPONDENCE

RESPECTING

MOROCCO.

62

CLOSED
UNTIL

1972.

July to December 1921.

F.O. 413/

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PART L.

FURTHER CORRESPONDENCE

RESPECTING

MOROCCO.

July to December 1921.

TABLE OF CONTENTS.

	No. and Name.	Date.	Subject.	Page.
1	Lord Hardinge ... **No. 437. Tel.**	1921 June 30	Tangier port concession. Stir caused in Paris by publication of news that Spanish Government have protested against grant of port concession	1
2	To British Merchants' Morocco Association	July 2	Consumption duties. View of His Majesty's Government in regard to the application of the duties to British subjects	1
3	,, ,,	,, 2	Consumption duty on alcohol is being applied to British subjects	2
4	French Ambassador to Sir E. Crowe	,, 2	Tangier port concession. Is requesting further information from his Government in regard to the report of the port commission	2
5	Lord Hardinge ... **No. 1921**	,, 2	Moroccan railways. Transmits a copy of a French note giving the views of the French Government in regard to the Dahir of the 10th January, 1921	3
6	Lord Hardinge ... **No. 1922**	,, 1	Tangier port concession. Encloses seven copies of the concession and a letter from M. de Peretti stating that the port concession will not conflict with the eventual status of Tangier. Spanish Ambassador has protested against action of French Government ...	4
7	Spanish Ambassador	June 30	Tangier port concession. Encloses copy of a note addressed by Spanish Minister of State to French Ambassador at Madrid protesting against issue of concession	5
8	Sir H. White ... **No. 268**	,, 24	Tangier port concession. Comments on terms of ...	9
9	Sir H. White ... **No. 271**	,, 24	Tabors. Report on strength in Tangier of	10
10	Italian Ambassador ...	July 6	Tangier port concession. Enquires attitude of His Majesty's Government towards port concession, railways, mining rights, &c.	13
11	British Merchants' Morocco Association	,, 9	Tangier port concession. Requests information in regard to certain clauses in	13
12	Sir H. White ... **No. 285**	,, 2	Er-Rzini's claims. Transmits reports from Mr. Atkinson regarding the Special Commission claims. The findings of the commission are unacceptable	14
13	To Italian Ambassador	,, 12	Tangier port concession. His Majesty's Government are now examining the concession, which appears to conflict with the understanding reached in 1914 ...	19
14	To Spanish Ambassador	,, 13	Er-Rzini's claims. His Majesty's Government cannot accept findings of the Special Commission. Suggests personal discussion with his Excellency	19
15	To Treasury	,, 13	Tangier port concession. Enquires if His Majesty's Government will guarantee the interest on the British proportion of the bonds issued by the Société internationale	20
16	To British Merchants' Morocco Association	,, 13	Tangier port concession. Gives information required by the association in regard to the port concession ...	21

	No. and Name.	Date.	Subject.	Page.
17	Memorandum by Sir Sir E. Crowe	1921 July 20	Tangier port concession. Interview with French Ambassador. French Government maintain their view in regard to the issue of the concession, and repeat their previous assurance that the port concession will be brought into harmony with the eventual special régime at Tangier	21
18	Board of Trade ...	,, 22	Tangier port concession. Views of the Board on terms of. Interest of the Board is confined mainly to securing proper representation for British capital in the port company and a fair share of the work of port construction	24
19	Sir H. White ... **No. 299**	,, 17	Tangier port concession. Comments on conversation between Sir E. Crowe and the French Ambassador (27th June, Part 49, p. 48)	24
20	Sir H. White ... **No. 200**	,, 17	Status of Tangier. Comments on statement of French Ambassador at the interview referred to in the previous despatch that French Government are not pledged to internationalise Tangier	25
21	Memorandum by Sir E. Crowe	,, 29	Tangier port concession. Conversation with French Ambassador regarding attitude of His Majesty's Government towards the port concession	25
22	Sir H. White ... **No. 308**	,, 25	Moroccan railways. Denies statement in French note (No. 5, p. 3) that the narrow gauge railways in French zone are used for exclusively military purposes ...	28
23	Sir H. White ... **No. 309**	,, 26	Spanish military disaster. Reports capture of Albaran and rout of Spanish army. Encloses two despatches from Tetuan	28
24	Treasury	Aug. 3	Tangier port concession. His Majesty's Government can give no guarantee in respect of money required for harbour works at Tangier	30
25	Minute by Sir E. Crowe	,, 5	Tangier port concession. Conversation with Spanish Ambassador, who stated that the attitude of His Majesty's Government had much gratified his Government. They had believed that His Majesty's Government intended to stand aside in Moroccan matters. Spanish Government had considered making exchange of territory with France, but were now reassured by the policy of His Majesty's Government respecting the port	31
26	To Lord Hardinge ... **No. 2144**	,, 8	Tangier port concession. Transmits memorandum giving the objections of His Majesty's Government to the French scheme for communication to the French Government	32
27	Sir E. Howard ... **No. 456**	July 29	Sale of Spanish zone. Encloses copy of a telegram from Count Romanones denying that he had proposed to the French Government the sale of the Spanish zone	34
28	Sir E. Howard ... **No. 462**	Aug. 3	Spanish military disaster. Transmits memorandum giving an account of the events which led up to the disaster of Melilla. Political results of the defeat are not yet apparent	35
29	Sir E. Howard ... **No. 160. Tel.**	,, 8	Spanish military disaster. Learns from French Chargé d'Affaires that situation is graver than first appeared. Melilla is surrounded, and Moorish war is clearly unpopular in the country	39
30	Sir H. White ... **No. 318**	July 30	Spanish military disaster. Transmits despatch from Tetuan. Spanish forces have been decisively routed, but the revolt has not yet spread to the western part of the zone	40

	No. and Name.	Date.	Subject.	Page.
31	Sir E. Howard ... **No. 481**	1921 Aug. 10	Spanish military disaster. Señor Maura will probably form new Ministry. Policy of Government in Morocco is not yet decided	42
32	Sir E. Howard ... **No. 164. Tel.**	„ 11	Spanish military disaster. General Navarro and column have surrendered. Government has resigned, and Señor Maura will form new Ministry	43
33	Sir H. White ... **No. 324**	„ 3	Er-Rzini's claims. Transmits despatch from Tetuan giving further information in regard to the measurements of the four properties which formed the subject of the Special Commission claims	43
34	Sir H. White ... **No. 327**	„ 6	Spanish military disaster. Unrest is now visible in the western portion of the Spanish zone. Transmits despatch from Tetuan giving latest news of the Spanish military operations	44
35	Sir E. Howard ... **No. 490**	„ 12	Spanish military disaster. Transmits report by military attaché on the operations in Morocco. Government are still uncertain as to future policy in Tangier ...	46
36	Sir H. White ... **No. 335**	„ 13	Er-Rzini's claims. Transmits despatch from Tetuan reporting the minimum amount which Er-Rzini will accept in respect of the four Special Commission claims. Agrees that amount claimed represents utmost limit of concession	49
37	Sir H. White ... **No. 345**	„ 20	Cape Spartel lighthouse. Transmits letter from Sid Tazi stating that the Makhzen will take over the German and Austrian shares in the maintenance of the light, and will pay the arrears in the contributions of these two Powers	56
38	Sir E. Howard ... **No. 543**	Sept. 3	Spanish military disaster. Moroccan campaign is unpopular in Spain, but no active opposition is likely. Press has recently demanded an investigation into the origin of the disaster	56
39	Lord Hardinge ... **No. 2578**	„ 15	Tangier port concession. Transmits note from French Government giving French view on port concession and future status of Tangier	57
40	Sir H. White ... **No. 365**	„ 6	Capitulations. Learns from American Minister that French have requested United States Government to abolish Capitulations in the French zone. American Minister will recommend to State Department that Capitulations shall not be abolished till the conclusion of a commercial convention safeguarding American rights in the French zone	61
41	Sir E. Howard ... **No. 573**	„ 14	Tangier port concession. Conversation with Minister of State to whom summary of British memorandum on the port concession (No. 26, p. 32) was communicated. Minister of State drew attention to French action in purchasing the Cape Spartel telephone line for the Sultan without consulting the Diplomatic Body ...	61
41A	Sir E. Howard ... **No. 214. Tel.**	Oct. 17	Cape Spartel lighthouse. Enquires view of His Majesty's Government on decision of the Makhzen to assume German and Austrian contributions to the lighthouse	62
42	Sir H. White ... **No. 409**	„ 16	Tangier port concession. Comments on French note (No. 39, p. 57)	63
43	Sir H. White ... **No. 410**	„ 18	Cape Spartel lighthouse. Comments on action of the Makhzen in taking over the Spartel telephone. Actual solution was undoubtedly the most favourable in view of the Lighthouse Commission's lack of funds, but French proposal should nevertheless have been submitted to the commission	64

	No. and Name.	Date.	Subject.	Page.
44	Sir E. Howard ... **No. 671**	1921 Oct. 24	Political situation in Spain. Policy of General Beringer is to punish the Riffian tribes and leave peaceful penetration to do the rest. He is opposed by the "juntas," but it appears that General Beringer's policy will obtain public support	67
45	To Sir E. Howard ... **No. 571**	„ 31	British claims in Spanish zone. Transmits memorandum giving full details of claims. His Majesty's Government have no hope of securing a settlement of these claims by negotiations and must demand that they should be referred to arbitration	69
46	To Board of Trade ...	„ 31	Cape Spartel lighthouse. Foreign Office suggests that a fair arrangement would be to redistribute the contributions to the lighthouse amongst the Makhzen and remaining signatory Powers. Enquires views of Board of Trade	85
47	Sir E. Howard ... **No. 702**	Undated	Spanish military disaster. Report of debate in the Cortes on the military situation in Morocco	86
48	To Sir E. Howard ... **No. 597**	Nov. 15	Appointment of agent at Tangier. Procedure to be adopted in notifying Mr. Robertson's appointment as agent and consul-general to Spanish Government ...	87
49	To Mr. Clark Kerr ... **No. 310**	„ 15	Appointment of agent at Tangier. Procedure to be adopted in notifying Mr. Robertson's appointment as agent and consul-general to the French protectorate authorities	87
50	To Lord Hardinge ... **No. 2982**	„ 15	Appointment of agent at Tangier. Procedure to be adopted in notifying Mr. Robertson's appointment as agent and consul-general to the French Government ...	88
51	Mr. Clark Kerr ... **No. 459**	„ 12	Protection. Transmits note from the French protectorate authorities calling attention to alleged abuses in the system of protection and stating that certificates of protection will only in future be granted to certain classes of natives. Comments on French note ...	88
52	Board of Trade ...	„ 24	Cape Spartel lighthouse. Concurs in Foreign Office view expressed in letter of the 31st October (No. 46, p. 89)	92
53	Sir E. Howard ... **No. 766**	„ 21	British claims in Spanish zone. Transmits note to Spanish Government demanding arbitration of all claims	93
54	Sir E. Howard ... **No. 767**	„ 22	Spanish military disaster. Press comment on the debate in the Cortes	94
55	Sir E. Howard ... **No. 779**	„ 26	Spanish military disaster. Transmits memorandum on influence of the military "juntas" on Moroccan campaign	97
56	To Board of Trade ...	Dec. 3	Cape Spartel lighthouse. Enquires whether Board have obtained Treasury sanction for the increase in the British contribution which the re-distribution of the German and Austrian shares would entail ...	99
57	Lord Hardinge ... **No. 3296**	„ 6	Appointment of agent at Tangier. Transmits note from French Government agreeing to the procedure proposed by His Majesty's Government before the notification of Mr. Robertson's appointment as agent and consul-general at Tangier	100
58	Board of Trade ...	„ 7	Cape Spartel lighthouse. British contribution to lighthouse is chargeable to the General Lighthouse Fund which is controlled by the Board of Trade without Treasury supervision	100

	No. and Name.	Date.	Subject.	Page.
59	To Sir E. Howard ... **No. 137. Tel.**	1921 Dec. 9	Cape Spartel lighthouse. His Majesty's Government consider that Makhzen should be allowed to contribute, and that the German and Austrian shares should be divided equally between the Powers, including the Makhzen, who should be given a place on the committee of management	100
60	Sir E. Howard ... **No. 814**	„ 10	Spanish military disaster. Transmits memorandum on the debate in the Cortes on the Moroccan campaign. The debate has led to no definite result	101
61	Sir E. Howard ... **No. 815**	„ 9	French propaganda in Morocco. The Minister of State complained of French press campaign against the Spanish Government in Morocco. He referred particularly to speeches reported in the press to have been made by the Sultan and Marshal Lyautey ...	105
62	Mr. Clark Kerr ... **No. 485**	„ 3	Protection. Gives particulars of four specific cases of the abuse by the French authorities of the system of protection	106
63	Sir E. Howard ... **No. 805**	„ 8	British claims in Spanish zone. Minister of State suggested that if the Spanish Government accepted arbitration it would be best to appoint one arbitrator knowing something of conditions in the Spanish zone	107
64	Sir M. Cheetham ... **No. 3526**	„ 16	Status of Tangier. Transmits French note giving details of proposed special régime at Tangier. Purport of the proposals is to embody Tangier virtually in the French zone	107
65	Mr. Clark Kerr ... **No. 491**	„ 8	French propaganda in Morocco. There is widespread evidence in the French zone of organised anti-British propaganda	110
66	Sir E. Howard ... **No. 832**	„ 21	Status of Tangier. Learns from American Ambassador at Madrid that United States Government shares the British view in regard to the necessity of internationalising Tangier	112
67	Mr. Robertson ... **No. 47. Tel.**	„ 28	Status of Tangier. Comments on French proposals (No. 64, p. 107). Suggests that if France proves obdurate question should be submitted to the League of Nations	113
68	To Sir E. Howard ... **No. 660**	„ 28	British claims in Spanish zone. Suggests that a neutral member of the Permanent Court of International Justice should be invited to act as arbitrator. If the Spanish Government agree, His Majesty's Government propose to entrust the conduct of the British case to a lawyer, who will have the assistance of Mr. Atkinson	113
69	Mr. Clark Kerr ... **No. 497**	„ 12	Tangier port concession. Certain elements in the British community appear to be influenced by French press campaign in favour of early work on the port. Enquires views of His Majesty's Government ...	114
70	Mr. Robertson ... **No. 509**	„ 21	Jetty in Tangier harbour. Learns from Director of Public Works Department that the port company will shortly construct a jetty in Tangier harbour for the use of the Tangier-Fez Railway Company	115
71	Sir E. Howard ... **No. 257. Tel.**	„ 30	British claims in Spanish zone. Minister of State proposes that claims should be divided into three classes: (1) land occupied by army; (2) land taken for public works; (3) damage to property resulting from Kabyle rebellion. Class (1) should be submitted to Mining Commission in Paris. Class (3) was not suitable for arbitration at all. Class (2) could be submitted to local arbitrator	115

Subject Index.

[The figures denote the serial numbers of documents.]

APPOINTMENT OF AGENT AT TANGIER 48, 49, 50, 57

BRITISH CLAIMS IN MOROCCO 12, 14, 33, 36, 45, 53, 63, 68, 71

CAPE SPARTEL LIGHTHOUSE 37, 41A, 43, 46, 52, 56, 58, 59

CAPITULATIONS 40

CONSUMPTION DUTIES 2, 3

FRENCH PROPAGANDA 61, 65

JETTY IN TANGIER HARBOUR 70

MOROCCAN RAILWAYS 5, 22

PROTECTION 51, 62

SALE OF SPANISH ZONE 27

SPANISH MILITARY DISASTER 23, 28, 29, 30, 31, 32, 34, 35, 38, 44, 47, 54, 55, 60

STATUS OF TANGIER ... 20, 64, 66, 67

TABORS 9

TANGIER PORT CONCESSION 1, 4, 6, 7, 8, 10, 11, 13, 15, 16, 17, 18, 19, 21, 24, 25, 26, 39, 41, 42, 69

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CONFIDENTIAL.

Further Correspondence respecting Morocco.

Part 50.

[W 7107/790/28] No. 1.

Lord Hardinge to Earl Curzon.—(Received July 1.)

(No. 437.)
(Telegraphic.) R. *Paris, June 30, 1921.*

MY despatch No. 1752.

Some stir has been created here by publication of news that Spanish Government sent in a note to French Government on 27th June, protesting against concession for port works at Tangier granted by the Sultan of Morocco to International Syndicate on 2nd June.

According to Paris press the Spanish communication was made here, but I learn on enquiry of my Spanish colleague that note was handed to French Ambassador at Madrid.

There is a tendency to infer from coincidence of Spanish protest with King of Spain's visit to London that His Majesty's Government are behind it. "Temps," however, in an apparently inspired paragraph, observes: "It does not seem that Spanish claim should be supported by England," and states French case as follows:—

Sovereignty of the Sultan over Tangier is complete and subject to no restriction as regards right to grant concessions. Spanish Government recognised validity of French argument by finally communicating with the Sultan's representative at Tangier in order to obtain necessary authorisation in recent incidents regarding Ar Viol-Tangiers cable and madrague. Port concession does not in practice involve any sacrifice of Spanish interests; French share in syndicate is raised from 30 per cent. to 50 per cent. by the Treaty of Versailles, which assigned to France the former German share; and all European colonies at Tangier, including Spanish (Chamber of Commerce [*sic*]), approve granting of concession in interests of future of port. Spanish representations therefore seem to be platonic and cannot obstruct further friendly negotiations inspired by keen desire to reach a solution harmonising Sultan's sovereignty, special rights of France, and Spanish interests.

(Repeated to Madrid.)

[W 6329/1416/28] No. 2.

Foreign Office to British Merchants' Morocco Association.

Sir, *Foreign Office, July 2, 1921.*

I AM directed by Earl Curzon of Kedleston to acknowledge the receipt of your letter of the 10th ultimo on the subject of the consumption taxes imposed by the Protectorate Government in the French zone of Morocco.

2. These duties have formed the subject of considerable correspondence with the French Government, in which the standpoint of His Majesty's Government was based

on their right to be consulted beforehand. With the exception of that on alcohol, none of these consumption taxes has as yet been made applicable to British subjects.

3. The statement contained in your letter that such duties, whether applied to British subjects or not, are in practice paid by them, is borne out by the Secretary of State's own information. There being, then, no serious practical objection to the formal application of these duties, it appears to Lord Curzon that the withholding consent for a limited period is a more effective means of pressure on the protectorate authorities to observe the right of His Majesty's Government in future than an indefinitely maintained refusal to regularise in name a situation which exists in fact.

4. Moreover, according to the Franco-Moorish Treaty of 1912, His Majesty's Government accepted the obligation not to impede the introduction by the French authorities of necessary financial reforms in Morocco. It is, therefore, in Lord Curzon's view, preferable to reserve action by serious protest for cases in which British subjects are placed in a less advantageous position than persons of other nationality.

5. With regard to the last paragraph of your letter, his Lordship is advised that, provided there is no discrimination against British subjects, it would be difficult to support a demand for previous notice of fiscal measures, which is not usually given in this country or elsewhere.

I am, &c.
R. H. CAMPBELL.

[W 6952/1416/28] No. 3.

Foreign Office to British Merchants' Morocco Association.

Sir, *Foreign Office, July 2, 1921.*

WITH reference to your letter of the 27th ultimo on the subject of the consumption duty on alcohol in the French zone of Morocco, I am directed by Earl Curzon of Kedleston to inform you that instructions had already been issued with a view to this duty being made applicable to British subjects.

2. The views expressed in your letter of the 10th ultimo, a reply to which is being sent to you to-day, were taken into most careful consideration, and Lord Curzon regrets that it is not possible to reverse the decision taken.

I am, &c.
R. H. CAMPBELL.

[W 7309/790/28] No. 4.

Count de Saint-Aulaire to Sir E. Crowe.—(Received July 4.)

Ambassade de France, Londres,
Cher Sir Eyre, *le 2 juillet* 1921.

JE demande à mon Gouvernement de me fournir des précisions sur le rapport de la Commission cité dans votre lettre du 29 et dont je ne possède malheureusement pas le texte à l'Ambassade. Je fais à ce propos parvenir à Paris les observations que vous formulez quant au futur régime de Tanger.

Vous n'ignorez pas que toutes les colonies étrangères de Tanger désirent vivement que le port de cette ville soit construit sans délai. C'était pour satisfaire ce désir que nos deux Gouvernements s'étaient mis d'accord en 1914, lorsqu'ils provoquèrent la réunion de la Commission. On espérait alors à Paris comme à Londres, en séparant la question du port de la négociation en cours sur l'organisation de Tanger, éviter les lenteurs inhérentes à cette dernière.

Veuillez croire, &c.
SAINT-AULAIRE.

[W 7163/799/28] No. 5.

Lord Hardinge to Earl Curzon.—(Received July 4.)

(No. 1921.)

HIS Majesty's Ambassador at Paris presents his compliments to His Majesty's Principal Secretary of State for Foreign Affairs and has the honour to transmit herewith copy of a note from M. Briand, dated the 30th June, respecting the Moroccan dahir of the 10th January, 1921, relative to Moroccan railways.

Paris, July 2, 1921.

Enclosure in No. 5.

M. Briand to Lord Hardinge.

M. l'Ambassadeur, *Paris, le 30 juin* 1921.

AINSI que je l'avais fait savoir à votre Excellence, le 20 avril dernier, je n'avais pas manqué de prier le Résident général de France au Maroc de me renseigner sur les dispositions de l'arrêté viziriel du 10 janvier 1921 relatif aux marchés à passer par la régie des chemins de fer, que le Gouvernement britannique estimait contraire aux règlements d'adjudication établis par l'article 110 de l'Acte d'Algéciras.

Des informations recueillies, il résulte que le Gouvernement de Sa Majesté britannique ne paraît pas s'être rendu compte dans cette question que le chemin de fer marocain à voie de 0·60 mètre échappe à la réglementation de l'Acte d'Algéciras. Ce réseau créé pour les besoins du corps d'occupation, et dont l'extension a suivi celle du front militaire, est, après la promulgation de l'arrêté viziriel du 10 janvier 1921, comme auparavant, la propriété du Gouvernement français. Tous les bâtiments et dépendances du chemin de fer, tels que gares, ateliers de réparations, les voies, appartiennent au Ministère de la Guerre français. Quant à l'exploitation, elle continue à être assurée par du personnel militaire, qui comprend 400 officiers et hommes de troupe; le directeur du service est un lieutenant-colonel du Génie. Enfin, le Ministère de la Guerre français conserve l'usage par priorité de cet instrument de transport, qui ne peut être utilisé par le commerce que pour le tonnage disponible après l'exercice de cette priorité.

Le chemin de fer dont il s'agit conserve donc un caractère nettement militaire et non commercial. Si le Gouvernement chérifien a accepté d'en prendre à son compte la gestion financière, ce n'est pas dans un intérêt d'ordre gouvernemental économique, mais uniquement afin d'alléger le budget de la métropole des charges que lui imposait l'exploitation déficitaire du réseau, déficit provenant, surtout, du fait que, pour les motifs exposés ci-dessus, l'exploitation de ce réseau s'inspire de considérations d'ordre avant tout militaire.

La responsabilité financière ainsi assurée par le protectorat chérifien a nécessité l'intervention d'un arrêté viziriel réglementant les services financiers de cette régie, notamment en ce qui concerne les marchés. Mais, comme il s'agit, ainsi qu'il vient d'être indiqué, d'un instrument de transport appartenant, non au Gouvernement chérifien, mais au corps d'occupation, c'est-à-dire au Gouvernement français, l'Acte d'Algéciras ne saurait être, à bon droit, invoqué à l'occasion de la passation des marchés que nécessite le fonctionnement du chemin de fer militaire.

Du reste, votre Excellence ne manquera pas d'observer que, bien que le chemin de fer à voie de 0·60 mètre ne soit pas soumis aux règles d'adjudication particulièrement compliquées de l'Acte d'Algéciras, son règlement n'en respecte pas moins l'esprit. Le même article 7 décide, dans son premier paragraphe, que les marchés de travaux, de fournitures et de transports au compte de la Régie sont faits en principe avec concurrence et publicité. La faculté de passer des marchés de gré à gré n'a pas été employée pour tourner ces obligations de façon à favoriser les commerçants français, mais pour effectuer des achats urgents de charbon, et c'est précisément en Angleterre que ces achats ont été faits.

J'ai l'honneur de porter ces informations à la connaissance de votre Excellence et je me plais à penser que le Gouvernement britannique reconnaîtra la parfaite correction des décisions provoquées, en cette circonstance, par M. le Maréchal Lyautey.

Veuillez agréer, &c.
A. BRIAND.

[W 7164/790/28] No. 6.

Lord Hardinge to Earl Curzon.—(*Received July* 4.)

(No. 1922.)

My Lord, *Paris, July* 1, 1921.

IN accordance with the request contained in the letter dated the 27th June from the Western Department, Foreign Office, to the chancery of this Embassy, I enquired of M. de Peretti de la Rocca, Director of Political and Commercial Affairs in the Ministry for Foreign Affairs, whether he could furnish me with seven further copies of the concession* (together with the "cahier des charges," &c.) granted by the Sultan of Morocco on the 2nd June to the Syndicat international pour le Développement économique du Tanger for the construction of port works at Tangier.

I have the honour to transmit to your Lordship herewith copy of the reply which I have just received from M. de Peretti, together with two copies of the documents enclosed therein.* One copy of the enclosure is being sent direct to His Majesty's Ambassador at Madrid, and one is being retained for the use of this Embassy.

Your Lordship will observe that M. de Peretti volunteers the information that the French Ambassador in London has been authorised to assure the Foreign Office that when the special administrative régime provided for by the treaties is established, the French Government for their part will have no objection to the conditions for the exploitation of the port being harmonised, if necessary, with the above-mentioned régime. I think that your Lordship will agree that this cryptic statement may be taken to mean anything the French Government like, and is in itself of a very unsatisfactory nature.

When I saw M. Briand this morning, I had not seen the communication from the Quai d'Orsay, but having read in the Confidential print Sir Eyre Crowe's letter to the Count de Saint-Aulaire of the 22nd June, I mentioned to his Excellency the fact that the concession of the port of Tangier had been given by the Sultan of Morocco without consultation amongst the Powers, although such questions had been the subject of international discussion previous to the outbreak of war in 1914. I observed that I was speaking without instructions from your Lordship, but that I felt confident that objection would be raised by His Majesty's Government to their being presented with a *fait accompli* and without any warning.

M. Briand in reply stated that from what Count de Saint-Aulaire had reported, the Foreign Office appeared to be not unfavourably disposed towards this concession. To this I retorted at once there must be some misunderstanding, since the Foreign Office had not yet had either the time or the necessary papers in order to make a thorough examination of the terms of the concession. M. Briand added that in any case it could not be regarded as final since the Powers would certainly have a say in the matter.

The Spanish Ambassador came to see me to-day and is evidently greatly excited over the whole question. He has shown me the text of the note addressed to the French Ambassador in Madrid by his Government, and he has kindly given me the accompanying résumé of the note.* He told me at the same time that he had spoken very strongly at the Quai d'Orsay against the action of the French Government in this matter, and he expressed the opinion that from enquiries that he had made privately, the French Government feel that they have gone rather too far. He attributes this action entirely to M. Berthelot, and believes it to have been done without the knowledge of M. Briand. He added that the Banque d'Algérie is mixed up in the concession, and that he has reason to believe that money is being made out of it by persons in high positions. He made the latter suggestion to M. Briand who did not deny it.

The "Temps" of yesterday evening published a message from its London correspondent stating that, according to the "Daily Mail," the granting of the concession had caused surprise in official circles in London, where it is said that the Sultan has no right to grant such concessions, and that Great Britain and Spain are about to make a joint protest; that as France now holds more than half the shares in the International Syndicate, Tangier is no longer an international port; that the attention of the French Government has been drawn to this fact, and it is hoped that the present difficult situation may shortly be modified. The "Temps" added a note to the effect that this information "does not accord with the attitude which His Majesty's Government apparently assumed before the recent visit of the King of Spain to London."

The "Petit Parisien" of to-day, commenting on the above, says there is a misunderstanding, since I had apparently confined myself to asking the Ministry for Foreign

* Not printed.

Affairs, on behalf of my Government, for a copy of the "statute" of the Internatio n Syndicate—a request with which the French Government immediately complied. " is difficult," the paper observes, "to assimilate this *démarche* to a protest."

I have, &c.

HARDINGE OF PENSHURST.

Enclosure in No. 6.

M. de Peretti to Lord Hardinge.

Ministère des Affaires étrangères,

M. l'Ambassadeur, *Paris, le 30 juin* 1921.

VOTRE Excellence a bien voulu me demander sept exemplaires du dossier du port de Tanger

J'ai l'honneur de vous faire parvenir ci-inclus quatre exemplaires de ce document,* en regrettant de n'être pas à même de vous en faire tenir un plus grand nombre.

L'Ambassadeur de la République à Londres a été autorisé à donner au Foreign Office l'assurance que lorsque sera établi à Tanger le régime administratif spécial prévu par les traités, le Gouvernement de la République n'aura, en ce qui le concerne, pas d'objections à ce que les conditions de l'exploitation du port soient, s'il y a lieu, mises en harmonie avec ledit régime.

Je m'empresse de porter cette assurance à la connaissance de votre Excellence, pour le cas où la communication prescrite à M. de Saint-Aulaire n'aurait pas été encore effectuée.

Agréez, &c.

(Pour le Président du Conseil, Ministre des Affaires étrangères),
Le Ministre plénipotentiaire Directeur des Affaires
politiques et commerciales,
E. DE PERETTI DE LA ROCCA.

[W 7266/790/28] No. 7.

Señor Merry del Val to Earl Curzon.—(*Received July* 5.)

(Translation.)

My Lord, *Spanish Embassy, London, June* 30, 1921.

IN the course of a conversation with your Lordship on the 24th instant, I had the honour to state that the Government of His Majesty the King, my august Sovereign, had, through the intermediary of the French Ambassador at Madrid, communicated to the Government of the French Republic its objections and protest in regard to the concession granted for the works of the port of Tangier contrary to agreements arrived at with Spain and Great Britain, and furthermore on conditions which are inadmissible owing to their being prejudicial to the interests of the other two Powers concerned, and more especially to those of the Spanish nation.

Attached to the present note your Lordship will find the text of the note sent to the Ambassador of the French Republic at Madrid by the Minister of State on the 16th instant, in which the latter refused to recognise the validity of this illegal act.

I take, &c.

ALFONSO MERRY DEL VAL.

Enclosure in No. 7.

Spanish Minister of State to the French Ambassador, Madrid.

(Translation.)

Your Excellency, *Madrid, June* 16, 1921.

I DULY received your Excellency's note dated the 4th instant, in which you informed me that His Majesty the Sultan of Morocco had granted the concession of the port of Tangier to the Société internationale pour le Développement de Tanger, which had been soliciting it for a long time. Your Excellency added that the French

* Not printed.

Government had thought it necessary to inform His Majesty's Government of the matter without delay, "in view of the Spanish interests concerned in the undertaking," and transmitted a copy of each of the documents relating to this concession. Before informing your Excellency of my considered opinion on the alleged concession and the attitude of the Government of the republic in relation thereto, I beg, for the better comprehension of the matter, to set forth its antecedents as briefly as possible.

In a note dated the 19th June, 1913, the Ambassador of the republic in Madrid approached Señor Lopez Muñoz, who was then Minister of State, pointing out the advantage of giving as soon as possible to the city of Tangier a port large enough to assist the development of its population and the increase of European trade in Morocco. M. Geoffray recalled, in this regard, the wish to that effect expressed by the Sindicato internacional para el Desarrollo económico de Tánger, an undertaking whose directors had expressed their wishes to the Anglo-Franco-Spanish Commission, which was then preparing at Madrid the bases of the special régime for Tangier. After pointing out the expediency of not waiting for the introduction of the Statute of Tangier in order to decide the question, he suggested that an understanding to this effect should be come to between the countries concerned, which could then be approved by the signatory Powers of the Act of Algeciras, after which the concession would be obtained from the Sultan, since, in the opinion of the French Government, it would be for him to grant the same at the request of the Powers, in view of the fact that the statute of the city had not been definitely established. M. Geoffray also proposed that the concession should be given to the Société internationale pour le Développement de Tanger, and ended by hoping that these proposals would be favourably considered by His Majesty's Government. In this manner was the question of the port of Tangier presented to Spain by the French Government.

The French proposal led to a series of negotiations between the Governments principally concerned, in virtue of which it was agreed during the spring of 1914 that the petition for concession presented by the undertaking mentioned above should be submitted for the consideration of a technical commission composed of French, English, Spanish and German delegates. "If the request is considered acceptable," said M. Geoffray's note on the matter, "*it will be submitted by the representatives of France, Spain, Germany and England, for the approval of the Corps diplomatique at Tangier.* which shall immediately request the Sultan to grant the port concession to the said company." This method of procedure having been agreed to by the Spanish Government and Señor Rendueles having been accepted as its representative on the commission above referred to, the latter held its first meeting on the 29th May, 1914. Recognition by the Powers principally concerned of the Sultan's right to grant the concession for exploiting the port of Tangier was to depend on the two following conditions, viz.: Firstly, that the opinion of the Technical Commission created for the purpose should be favourable; secondly, that the foreign Corps diplomatique accredited to Tangier should subsequently agree to the scheme.

Neither of these two conditions—to the strict observance of which Spain subordinated her consent in 1914—has yet been complied with in regard to the concession to which your Excellency referred.

The Technical Commission held various meetings during 1914, and at its meeting of the 29th July of that year issued a report in which, after stating that almost complete agreement had been arrived at with the company concerning the majority of the unsettled points, it nevertheless added that it had been unable to come to an agreement with the company in regard to the following points: Preliminary working plans; financial agreement; services to be rendered by the concessionnaire and maximum charges. The company itself acknowledged that it had been unable to present "with regard to various points any schemes which could be entirely and unreservedly approved." In view thereof the commission did not make any final pronouncement, and postponed to its following meeting (the date of which was fixed for the first fortnight in November) a final decision and the drafting with the company of the above-mentioned preliminary working plans, concession agreement and tender. The Embassy of the French Republic notified His Majesty's Government of this in its communication dated the 29th July, 1914.

The European war—which so long and so tragically interrupted this and many other matters—prevented the commission from meeting, and thus made it impossible to obtain either the approval of this scheme by the said consulting body (a *sine quâ non* for acceptance by the Government of His Majesty) or by the Corps diplomatique—likewise an indispensable condition before the Sultan could grant the concession with the agreement of Spain.

It is not easy to explain how, between countries united by feelings of friendship, such facts as those referred to above could be forgotten and the consequence of so plain a legal situation ignored. Notwithstanding all these existing declarations and undertakings, it is now suggested that the concession of the port of Tangier should be granted merely by means of a deed signed by Sultan Muley Yusef ("por medio de un acto puro y simple del Sultan Muley Yusef"*). And, just as though Spain were one of those enemy countries with regard to which France might—owing to the war and to peace conditions—logically cancel her former agreements and undertakings, the stipulations agreed to in 1914 are ignored in so far as Spain is concerned, and nothing but a scant and solitary notification is given to her, owing to the fact that there are "Spanish interests concerned" in the company which is the alleged concessionnaire, as though the Spanish nation—far from being a country whose special position in Morocco and in Tangier has been recognised by all existing treaties and in all international negotiations—were a State barely enjoying as much right of purely commercial intervention as would permit of restricted participation in any business arising in Tangier. It would be useless, Mr. Ambassador, for me to attempt to hide from your Excellency the painful impression made upon the Government of His Majesty by the reception of your note dated the 4th instant. I also regret to note therein the absence of any explanation concerning former agreements which might, by its nature, tend to mitigate that which at bottom represents a grave injury and an unjustifiable affront to Spanish rights and interests. The magnitude of the attempted step would in itself justify the wish of His Majesty's Government to analyse the most important points of the concession solicited, since it would appear that the provisions as a whole contained in official documents forming the basis and nucleus of the international situation, in so far as Tangier is concerned, have been ignored in a manner which is beyond the comprehension of His Majesty's Government. And this feeling of surprise caused by such a state of affairs is increased by the knowledge that the same French Government which, a few weeks ago, stated that the moment was inopportune for discussing the problem of Tangier is now submitting and supporting the irregular concession of the port works, when it would be such a natural opportunity to discuss it in a friendly manner with the two countries principally concerned, instead of presenting it as a *fait accompli* and as a surprise, by means of a resolution similar to that now under discussion. It is almost impossible to conceive how such an attitude can be that of the same neighbouring and friendly country which, in regard to the question of Morocco itself, might occasionally express points of view differing from ours, but generally knew how to show Spain the consideration due to a nation associated with her in an important undertaking of general interest. The antecedents referred to fully justify the necessity in which His Majesty's Government finds itself for considering the concession of the port of Tangier, referred to by your Excellency in the note which I now have the honour to acknowledge, to be irregular and void, in the form in which it is desired to carry it through. Before the Government of His Majesty could agree to this concession, it would be necessary to call together once more an international technical commission to consider afresh the scheme of concession presented by the Société internationale pour de Développement de Tanger. It would also be indispensable, in accordance with arrangements made between France, England and Spain in 1914, that, after this scheme is accepted by the technical commission, its acceptance by the Corps diplomatique of Tangier should also be obtained, or that joint consideration by the three Governments principally concerned should, after corresponding negotiations, be substituted for this formality.

The reflections suggested to His Majesty's Government by the terms of the concession which it is wished to carry out are equally serious. It provides, in the first place, the right of reversion to "the Shereefian Government" at the end of sixty-eight years, and also foreshadows the possibility of redemption in favour of the said Shereefian Government after the first fifteen years of working. The idea that the port of Tangier should belong to the future municipality is so eminently suitable and so entirely in agreement with what has gone before, that it is quite enough to mention this fact without explaining it further. It would suffice to peruse the minutes of the meetings of the technical commission which considered the scheme in 1914, and the text of the report issued in July of that year by this commission, in order to be convinced of so obvious a truth. The expression "Shereefian Government" (more especially when far distant eventualities are being dealt with) should be read as a synonym for "the Government of Rabat" or for "the French protectorate." This has

* By a mere act on the part of Sultan Muley Yusef?

got to be said, notwithstanding any clever and subtle fiction to the contrary which might be adduced, seeing that, as from the 30th March, 1912, the Sultan has been, and can only be, considered as the protégé of the French Republic. The Government of His Majesty finds itself confronted by a very serious attack on its rights in Morocco and on its special position, which can be compared to that of no other Power in regard to Tangier, in view of the fact that this city and its zone are enclaved within the zone of the Spanish protectorate, which is an indisputable geographical and political truth. Could such a circumstance as that which gives to Spain's right of intervention in Tangier the character of an absolute duty, connected with the security and also with the very existence of her zone, have remained unrecognised by the statesmen of a friendly country who signed agreements and undertakings, who initiated various steps and carried through diplomatic questions, invariably inspired with the idea of doing nothing in regard to Tangier unless in agreement with Spain and England, the countries principally concerned? The provisions in force with regard to the construction of the Tangier section of the Tangier–Fez Railway tell a different tale, as do the proposal accepted by Spain in 1914 for the purpose of deferring the promulgation of the mining regulations in the zone of Tangier; the abstention of the Government of Rabat in regard to the regulations for the sanitary police in the international zone; the invitation repeatedly made to Spain in 1914 by M. Geoffray to occupy with Spanish military forces the extra-urban zone of the city, at the same time landing a picket in the city itself in order to guarantee the principle of intervention carried out conjointly by the two protecting countries (to use the same expression as that employed in article 25 of the Franco-Spanish Agreement of 1912), and many other facts vouched for by archives. And it must be remembered that many matters to which I refer above belonged to a period when the republic, after having broken with Germany, had no reason to adjust her conduct in Morocco to certain hypothetical foreign influences (as has been alleged in a recent note), so that in seeking our assistance and recognising the necessity for working hand in hand with Spain in regard to the said Moroccan port, France undoubtedly recognised what was demanded by our position in the north of Africa and the respect due to agreements. Our position is the same to-day, but the conduct of France has absolutely changed, unfortunately for the harmony existing between both countries. If the right of reversion to the "Shereefian Government" is to be interpreted in favour of the Government of Rabat, and if it is intended to carry out the concession of the port with all the remaining attributions and accessory concessions connected therewith, the position of Tangier will, *de jure et de facto*, be prejudiced behind Spain's back contrary to her interests, and the special régime provided in 1912 will be converted into a régime of annexation to the French protectorate, with impaired Spanish interests and a serious threat to her Moroccan zone. The alleged concession premises, in effect, the existence of a far-reaching administrative *contrôle*, which, if exercised by the Rabat Government, would represent definitive sanction of the Sultan's authority and would, moreover, not only mean that the concessionnaire company would take over such services as cleaning and warehousing and that a considerable part of the land adjoining the seashore would be ceded to the Shereefian Government, but also the setting up of a police force within the precincts of the port itself, which would involve a fresh police invasion within an area the extent of which is so unnecessarily large as to extend from the mouth of Arroyo dos Judios to the point of Malabata, *i.e.*, an area four times as large as that really required for the construction of the port and the setting up of its subsidiary installations.

Finally, the financial guarantee given by the Shereefian Government demonstrates the intention of dominating the situation in Tangier in every possible manner, without considering Spain in any way.

His Majesty's Government, finding it impossible to accept such arrangements, begs to address the Government of the republic through the intermediary of your Excellency, and, making a fervent appeal to the good faith of the latter, to its spirit of concord, and to the traditional respect for the given word which has always been a point of honour with the French nation, requests that Government in the most explicit and solemn manner to cancel the concession of the port in the form in which Sultan Muley Yusef wishes to have it carried out, the situation thus reverting to that which existed when the International Technical Commission appointed to consider it left its final decision unpronounced. The question should then become the object of fresh negotiations between the Governments of Spain, France, and England, relying upon which the Government of His Majesty—than which nobody is more interested in all that concerns the good of Tangier—would not oppose any settlement which would safeguard its rights and the special position arising for Spain out of the treaties in

force, out of the vicinity of the peninsula, and out of the obligation which she has assumed to guarantee order in the area within which are enclaved the zone and city of Tangier.

In order to settle the matter quickly, and to facilitate the desired agreement, the Government of His Majesty would be willing to continue the negotiations begun in 1914 on the following bases:—

1. Participation of the Spanish group in the concessionnaire company, in the same proportion as that of the French share provided for in 1914;

2. Revision of the final scheme in regard to the reforms considered necessary by a technical Franco-Spanish-English commission, after whose consent the scheme would be submitted for the approval of the Corps diplomatique accredited to Tangier, or at least for that of the three Governments principally concerned;

3. The three Governments of Spain, France, and England to approach the Sultan, in order that if the municipality of Tangier shall not have been created at the time, His Imperial Majesty should grant the concession with the proviso that all rights and undertakings connected therewith would be transferred to the municipality of Tangier as soon as created; and

4. The participation of Spain in the financial guarantee made to the undertaking, in a proportion equivalent at least to that of her participation in the share capital.

In view of what I have had the honour to state to your Excellency, it would appear unnecessary to lay stress on the extraordinary importance that the Government of His Majesty attaches to the matter dealt with in the present note.

Among all the affairs of Morocco which, as your Excellency is aware, constitute a most important part of Franco-Spanish relations, the concession of the port of Tangier on the conditions set forth in the note of the French Embassy dated the 4th instant represents a point of the utmost importance in respect of Spanish rights and interests. The Government of His Majesty, one of whose most cherished wishes is that of maintaining the closest possible degree of cordiality in the relations between both countries, trust that the Government of the Republic will be inspired with similar sentiments.

I take, &c.

[**W 7299/790/28**] No. 8.

Sir H. White to Earl Curzon.—(*Received July 6.*)

(No. 268.)

My Lord, *Tangier, June 24, 1921.*

WITH reference to my despatch No. 251 of the 12th instant, I have the honour to report that I have communicated the papers regarding the port concession to the committee of the British Chamber of Commerce and requested them to furnish me with any observations they might desire to offer on the subject. I had hoped to be able to communicate their observations to your Lordship by this bag, but, as I understand that it may be a little time before I receive them, I beg in the meantime to draw attention to the following points in the contract.

From article 5 of the "cahier des charges" it is clear that the international company is itself responsible for the execution of the work at the price fixed in the "série des prix et annexe," and is under no obligation to put the work up to tender. It will be remembered that in its report of the 29th July, 1915 (p. 16), the International Technical Commission proposed, on the suggestion of the British and German members, that the international company should be relieved of this obligation as a means of reducing the sacrifices required of the "caisse spéciale," it being considered that the fact that the company was international justified this departure from the letter of the Act of Algeciras. In my despatch No. 154 of the 10th August, 1915, I expressed the opinion that, in view of the extremely difficult financial situation in which the municipality would find itself placed, especially during the opening years of the new régime, it was necessary to seek relief by every possible means, and that therefore, on the grounds pointed out by Captain Frederick, the Powers might be invited to accept the proposal and allow the concessionary company to execute the port works itself.

What was then proposed, however, was that the Diplomatic Body should come to an agreement to this effect. This does not justify the Makhzen in overriding the terms of the Algeciras Act without consulting the representatives of the Powers.

Equality of treatment for vessels of all nationalities is stipulated for in the "cahier des charges."

The limits of the concession are large: from the mouth of the Jews' River to Cape Malabata, and not merely the Bay of Tangier.

Article 25 of the "cahier des charges" authorises the levy of a "droit de stationnement" on all vessels anchoring within the limits of the concession, the only exemption being for ships of war of all nationalities and Moorish Government vessels. This due, I presume, takes the place of the present "anchorage due," but whereas under article 10 of the Convention of Commerce of 1856 between Great Britain and Morocco British vessels entering Moorish ports for shelter and not loading or discharging cargo are exempt from anchorage dues, no such exemption is provided for in the "cahier des charges" as regards the "droit de stationnement." Perhaps it may be taken that article 33 requiring the observance of international agreements covers this.

I had hoped that the amount realised by the sale of lands reclaimed from the sea, and not required for the purposes of the port, roads, &c., which should eventually reach a considerable sum, would be applied to paying off a part of the original cost of construction of the harbour, but I observe that under articles 1, 11 and 13 of the convention and articles 2 and 16 of the "cahier des charges," after paying off the "compte d'attente" and bringing the "compte de renouvellement" up to 2,000,000 fr., the surplus of the sum derived from the sale of lands reclaimed by the construction of the port is to be allocated half to the "compte de renouvellement" and half to the Shereefian Government and the concessionary company in equal shares, whilst in the case of lands otherwise reclaimed the surplus is to be divided between the Shereefian Government and the company in the proportion of the capital contributed, at least 30 per cent. going to the former. At the end of the concession the company takes one-quarter of the remaining land and the Shereefian Government the rest. The amounts realised by these sales, which should eventually reach a considerable sum, will thus be passed to the profits account instead of being utilised for paying off the loan.

I shall await the observations of the Chamber of Commerce before offering any remarks on the various tariffs.

I enclose herein a copy of the list of errata in the "cahier des charges," which has been communicated to me by the Sultan's representative.*

I have, &c.

HERBERT E. WHITE.

[W 7301/1137/28] No. 9.

Sir H. White to Earl Curzon.—(Received July 6.)

(No. 271.)

My Lord, *Tangier, June 24, 1921.*

UPON receipt of your Lordship's telegram No. 36, I called upon my Spanish colleague and informed him that the Spanish Ambassador had complained to your Lordship that the strength of the Compagnie chérifienne had been increased, and was now 349. I said that Mr. Clark Kerr had gone into the question during my absence last month and had ascertained that the strength was at that time only 232, while the figures given to him by Colonel Paxtot were different from both the above. I asked him how he explained the divergence.

M. Serrat replied that the divergence was probably due to the fluctuations in the numbers of the men, which changed from time to time. The men are recruited in the French zone, and, as reported in my despatch No. 22 of the 21st January, the reliefs sometimes arrive before the men they are to replace have left, but the divergence was too great to be explained by mere fluctuations, and I enquired how he had obtained his figures and whether he considered his information reliable. He said he could not divulge the source of his information, but he was sure that it was reliable, and he believed that the statements made at the French agency as to the strength of the force were deliberately false.

M. de Carbonnel having gone to France on leave of absence, I called on the Chargé d'Affaires and asked him to be good enough to obtain for me an exact detailed statement showing the numbers of the officers, non-commissioned officers and men of the Compagnie chérifienne at the present time, and also any fluctuations there may have been during the last few months. I asked him kindly to see that the statement was carefully prepared so as to ensure absolute accuracy, informing him that Señor Merry del Val had handed to your Lordship a list which put the strength of the force

* Not printed.

at 349, and it was difficult to explain the divergence between that figure and that supplied to Mr. Kerr last month.

I have the honour to transmit herewith a summary of four returns subsequently handed to me by the French Chargé d'Affaires, showing the strength of the force on the 30th April, 31st May, 15th and 24th June. From these it will be seen that the total strength, including officers, is now 238, and even at its highest, on the 30th April, was under the full establishment of 250. These sheets all bore the signature of the commanding officer and the official seal; and I cannot believe that he would have ventured to make a false return, as suggested by M. Serrat.

Having noticed that while the Spanish list contained twelve armourers the French list had none, I asked my French colleague to make enquiries on the subject. He subsequently informed me that there was only one armourer, who was included in the number of tirailleurs.

The figures given to Mr. Kerr last month by Colonel Paxtot are evidently the same as those quoted by Señor Merry del Val, with the difference that the number of native soldiers has been read as 250 instead of 230. In the copy shown to me by my Spanish colleague the "3" is blurred, and has evidently been read by the copyist as "5," whereas in our copy it is quite distinctly "3." Even with this correction, however, there is still a divergence of nearly 100, which I find impossible to explain except by the supposition that Colonel Paxtot pays some person to furnish him with information regarding the tirailleurs, and the informant exaggerates their numbers, possibly with a view to lend importance to his services and lead the Spaniards to continue to employ him. The only way in which it would be possible to make absolutely certain what the strength of the force really is would be to examine the pay-sheets, but this, of course, could not be asked for. Enquiries made by secret agents could not be relied upon, as entrance into the various barracks is forbidden to the public, and in order to count the men in each barrack one must be certain that all the men belonging to it are there and that there are none present belonging to other barracks. Should there be a parade of the company I shall take steps to have the men counted, but even thus it would be difficult to ascertain for certain how many may be absent on other duties at the time.

In his despatch No. 389 of the 11th August last year, Mr. Kerr reported on the so-called troop of mokhaznia. The mokhazni is practically what in the East is known as a cavass. All the agencies have a certain number of them, generally obtained from the Basha. They act as guards, messengers, police, or in other capacities, but though sometimes called soldiers, they can scarcely be regarded as a military force and they possess no arms but a dagger, and frequently not even that. Throughout all Morocco all Makhzen officials of any standing have some mokhaznia in attendance; the two words are from the same root.

I have caused enquiries to be made by the head mokhazni of this agency into the present number of mokhaznia employed by the Makhzen officials here, and he tells me that the Basha has six of them in attendance on himself, in receipt of regular pay. The two Khalifas have none in receipt of wages, but they employ twenty-two inside the town and eighteen in the country, who are paid by the fees they receive. In addition to the above, there are twenty-six of the new mokhaznia referred to in Mr. Kerr's above-mentioned despatch. There used to be forty of these men, but the Agency mokhazni tells me that for motives of economy their number has now been reduced to twenty-six. In addition to these men there are some night guards—eleven, I am informed—who are, however, not mokhaznia, but dress in ordinary clothes with the addition of a belt. The mohtasseb has four mokhaznia and Sid Tazi six. The cadi has four messengers and the nadir two, but these are not mokhaznia nor do they dress as such. The only other body of men are some thirty to forty night watchmen, paid principally by private persons to watch their houses or shops. The usual course is for persons residing in a street or quarter to unite together to pay a guard supplied by the authorities. This is an old institution and in no sense military, so I can hardly think that it was referred to by Señor Merry del Val.

I am assured that there is no other body of men or force in the town, and I can obtain no confirmation of the statements made to me by the Spanish agent as to the large forces in existence.

With regard to the men said to have been recruited by the Shorfa of Wazzan, I beg leave to refer to Mr. Kerr's despatch No. 350 of the 20th July last. In former times the old Shereef of Wazzan was a man of considerable influence and had a large number of adherents throughout the country, besides a good many men who were constantly in attendance upon him and accompanied him whenever he rode out,

generally carrying a gun. These adherents, who were under the shereef's protection, were also, to a certain extent, a source of income, the shereef depending a good deal upon the offerings of the faithful for his income. After the old shereef's death, his two sons by his English wife continued to reside here and carried on the traditions of their family, depending upon their adherents for their revenue. For some unknown reason, however, the French put a stop to this, and the two brothers consequently lost much of their prestige, as well as a great part of their income, being reduced to comparative poverty. The present shorfa, like their father, are under French protection. They were, moreover, educated in Algeria and France, and one of them was in the French army. Lately the protectorate authorities decided to make use of them, and took steps to revive their former prestige. The Sultan therefore restored to them the privileges formerly enjoyed by their family, including the right of protecting their adherents. They were sent to Wazzan to endeavour to induce the people of that district to submit to the French, one of them remaining there as Governor. The other brother was also sent recently on a mission to Algeria. It is more than probable that in restoring the prestige of these shorfa the French have also had in view a propaganda counter to that of the Spaniards through the Derkawi Shereef, but neither the Derkawi nor the Wazzan Shereef's adherents can be regarded as in any way a military force, though doubtless, as is usual among country Moors, many of them possess arms of some sort and, in case of trouble, would probably join in on one side or the other. On the other hand, the Derkawi Shereef has to a great extent lost prestige in consequence of the Kitani incident reported in Mr. Clark Kerr's despatch No. 352 of the 28th July last, and many of his adherents have fallen away, whereas the advantage of obtaining the Wazzan Shereef's protection has proved a great attraction, and, were he to call for men on any emergency, he could undoubtedly obtain a very large number in the country district.

I should perhaps add that, while the Spaniards are complaining of the action of the French in seeking to increase their predominance, they themselves are doing all they can to improve their position. Among other means they have adopted is that of granting naturalisation and protection. I am assured by country Moors that a large number of natives in this zone have been granted Spanish protection. They have also for some time past carried on an active propaganda amongst the Jews, who are descendants of those expelled from Spain in the fifteenth century.

I have, &c.

HERBERT E. WHITE.

Enclosure in No. 9.

COMPAGNIE chérifienne.

—	Effectif à la date du :							
	30 avril.		31 mai.		15 juin.		24 juin.	
	Français.	Indigènes.	Français.	Indigènes.	Français.	Indigènes.	Français.	Indigènes.
Officiers instructeurs :								
Capitaine	..	..	1	..	1	..	1	..
Lieutenants	2	1	2	1	2	1	2	1
Officiers marocains :								
Qaïd Reha	..	2	..	2	..	2	..	3
Qaïd Mia	..	3	..	2	..	2	..	2
Troupe :								
Adjutants	..	2	..	2	..	2	..	2
Sergent-major ..	..	1	..	1	..	1	..	1
Sergent-fourrier ..	..	1		1	..	1	..	1
Sergents	4	8	4	8	4	9	4	9
Caporal-fourrier ..	.	..		..	..	1	..	1
Caporaux	5	17	5	16	3	16	3	16
Tirailleurs	10	188	10	188	11	184	10	182
Totals	21	223	22	221	21	219	20	218
	244		243		240		238	

Le CAPITAINE BADIN,
Commandant la Compagnie.

Tanger, le 24 juin 1921.

[W 7283/1430/28] No. 10.

Signor de Martino to Earl Curzon.—(Received July 6.)

(Translation.)

REFERENCE to fourth paragraph of Foreign Office note dated the 30th March, 1921.

The Italian Government would be glad to be informed of the attitude of the British Government towards the methods persistently adopted by the Government of the French Protectorate in Morocco in the matter of economic concessions (railways, mining exploitation, Tangier port works, &c.)

Italian Embassy, London, July 4, 1921.

[W 7430/790/28] No. 11.

British Merchants' Morocco Association to Foreign Office.—(Received July 9.)

Sir, 17, *Leadenhall Street, London, July* 9, 1921.

WITH reference to statements which have appeared in the French and English press to the effect that a concession has been granted to an international company known as the "Société internationale pour le Développement de Tanger" for the construction and operation for a period of sixty years of the port works at Tangier, the council of this association has received numerous apprehensive enquiries from British subjects, both on this side and in Tangier, some of which the council is not in a position to answer, and upon which information is desired.

2. The points upon which corroboration or information is desired are as follows :—

(*a.*) It has been stated that in 1914, after an accord had been come to between the Governments interested in Tangier, including the Makhzen, the Société internationale pour le Développement de Tanger was formed with the following division of capital :—

	Per cent.
French	30
British	20
Spanish	20
German	20
Austrian	3
Other nationalities	7
	100

(*b.*) It is stated that the Société internationale intends now to issue 35,000,000 fr. of debentures, the interest on which the protectorate Government will guarantee, in return for an allotment of the ex-German shares. The ex-Austrian shares, it is suggested, are to be applied to increasing the holdings of one or more of the small Powers.

Information is desired as to whether the Governments interested in Tangier have agreed to these arrangements.

3. At the meeting of the council held yesterday the following resolution was passed :—

"That this association deprecates any apportionment of shares in the company operating the port of Tangier which can or will alter the international character of Tangier, and suggest that the deed of concession should be subject to the approval of all the Powers interested."

The council would point out that they view with apprehension such an apportionment of the capital as that suggested in paragraph 2 (*b*), and that they consider it would be contrary to article 9 of the convention of the 3rd October, 1904, between France and Spain, and recognised by Great Britain on the 6th October, 1904; to article 1 of the treaty between France and Morocco of the 30th March, 1912, and to article 7 of the convention between Spain and France of the 27th November, 1912.

An arrangement which might be favourably considered as representative of the interests of the several Powers would be to divide the ex-enemy shares proportionately to the original holdings, so that the new proportions would then be as follows:—

	Per cent.
France	39
Spain	26
Great Britain	26
Other Powers	9
	100

The council would point out that clause 14 of the concession (power of repurchase by the Shereefian Government after fifteen years) makes it possible entirely to destroy the international character of the control of the Tangier port.

The council is of the opinion that, unless arrangements have been, or can be, made by which the port of Tangier is definitely assured of a truly international control, steps should immediately be taken to declare invalid the concession for the building of the port works by virtue of article 107 of the Act of Algeciras.

The council claims that it is of vital importance to British trade to retain international control in Tangier, and they are apprehensive that if this present attempt on the part of France to become paramount in Tangier were to succeed, the position of British trade in Morocco would become seriously prejudiced.

I am, &c.
(For the British Merchants' Morocco Association),
M. B. MILNE, *Secretary.*

[W 7556/353/28]

No. 12.

Sir H. White to Earl Curzon.—(Received July 12.)

(No. 285.)

Tangier, July 2, 1921.

My Lord,

WITH reference to my despatch No. 254 of the 13th ultimo I have the honour to transmit to your Lordship herewith copies of two further despatches from Mr. Atkinson on the subject of the claims of Sid-er-Rzini which were dealt with by the special commission.

With respect to the exception taken by the Spanish authorities to the title-deed of the Ras-el-Qarawar property, on the grounds that the kadi's khalifa had not been properly appointed, I am informed that it has never been customary for any special appointment to be made of acting kadis by the Sultan. These officials were and still are appointed by the kadi, with the consent of the Governor of the town, and possibly after consultation with the chief people of the town.

This is particularly the custom in cases of illness of kadis, when it is not possible to consult the Makhzen, while in cases of absence of the kadi, the Sultan, when granting leave, instructs him to appoint a khalifa without specifying any particular person.

Should, therefore, the Spanish authorities contest the boundaries of this property as claimed by Sid-er-Rzini, I agree with Mr. Atkinson that the measurements established in the plan attached to the old mulkia should be those on which calculations should be based, as the obliteration of some of the boundaries is due to no fault on his part.

The documents of which translations are enclosed in Mr. Atkinson's despatch No. 117 of the 28th June, with the exception of that testifying to the nature of the soil of the Aghattas property, call for no remarks beyond those made in his despatch.

The latter document has been prepared in view of the statement in the enclosure in the note of the Spanish Ambassador in which the property was described as "infecto."

(Copies to Madrid and Tetuan.)

I have, &c.
HERBERT E. WHITE.

Enclosure 1 in No. 12.

Vice-Consul Atkinson to Sir H. White.

(No. 116.)

Sir,

Tetuan, June 29, 1921.

WITH reference to my despatch No. 83 of the 28th April, transmitting a copy of the note addressed by me to the Secretary-General, protesting against the further encroachments by the Spanish authorities on the land at Ras-el-Qarawar belonging to Sid Abdelqader-er-Rzini, I have the honour to report that I have received no reply to that note.

In the meantime, however, having been made aware by the action of the special commission in regard to other claims of their intention of causing trouble by attempting to invalidate title-deeds on technical grounds, I had the mulkia submitted to the present kadi, El Fqih-ez-Zowwaq, who intimated that he would be obliged to object to the legalisation of it by the former Khal-el-Amrani (El Ghomari) of the late kadi, Sid T'hami Afailal. The reason is the same as that brought forward in respect of other documents, viz., that this khalifa had no Sultanic appointment—a practice stated by natives not to have been prevalent in Tetuan at any rate.

I have, therefore, had a new mulkia drawn up and legalised by the present kadi, a photograph,* and translation of which are transmitted herewith. In view of the covering over or enclosure of so much of the land it was impossible for the boundaries to be accurately determined. It will be necessary, therefore, to insist when the matter comes to be discussed, and if objections are raised, that Sid Abdelqader-er-Rzini should not receive less than the measurements shown in the plan attached to his old mulkia, a copy of which was transmitted amongst the enclosures to my despatch No. 167 of the 15th November, 1919.

I have, &c.
C. R. B. ATKINSON.

Ras-el-Qarawar: Fresh Mulkia.

Praise to God alone!

The witnesses whose names appear after the date know Sid Abdelqader, son of the late Sid-el-Hadj Mohammad-er-Rzini, with a full sufficient and legal knowledge. They bear witness that he holds and possesses the freehold of all the land situate at Ras-el-Qarawar bounded by El Alwy, the old Christian cemetery, the excavations and the Habous, and has dealt with it as his own property since a period of forty years (with the exception of the twelfth and the third who say about twenty years) without anyone, to their knowledge, disputing or opposing (his title) during that period. They have no knowledge of his having sold, ceded or transferred it, or that it was transferred from him or left his possession in any way whatsoever or for any reason up to the present date. This is what they know, &c., and their evidence is taken down, &c., the 3rd Showal, 1339.

Witnesses:

1. El Hadj Ahmad-ben-Mohammad Mstafa.
2. El Arby-ben-Abderrahman Kerrish.
3. Mohammad-ben-Mohammad-es-Skirej.
4. Mohammad-ben-Abdelkerim-es-Sordo.
5. Mohammad-ben-Abdelkhalaq-el-Qattan.
6. Ahmad-ben-Ali-ben-Raho.
7. El Arby-ben-Abdelkerim Kerkish.
8. El Muallim Sellam-ben-el-Hassan Misqalli.
9. El Hadj-ben-el-Hadj Mohammad-el-Alwy.
10. El Hadj Mohammad-ben-el-Hadj Ahmad Mstafa.
11. El Muallim Mohammad-ben-el-Hadj Ahmad-ez-Zkeek.
12. Ali-ben-Ahmad-el-Jummy.

Signatures of adool.
Legalisation of Kadi of Tetuan, the Fqih-ez-Zowwaq.

* Not reproduced.

Translator's Note.—This new mulkia was made to satisfy the scruples of the present kadi, whose signature appears above. The former mulkia was legalised by El Ghomari, a khalifa of the late kadi, Sid T'hami Afailal, and an objection was raised by the present kadi because El Ghomari had received no official appointment from the Sultan—a practice not current in Tetuan.

Note on back of Mulkia.

Praise to God alone !

When the two witnesses went in company with the witnesses mentioned on the back of the document, and those appointed by the competent authority and the Governor of the city—may God preserve them both—in order to effect the taking over of the land testified to on the back hereof, and to measure the same by metre, they found that many buildings had been erected upon it and its boundaries, and its boundary stones had disappeared (or were effaced) as a consequence thereof. It was consequently impossible to measure it exactly for that reason. Those who went with the persons mentioned, with the said authorisation, and saw what is stated, wrote it down in testimony thereto on the 12th Showal, 1339.

Signatures of adool.

Legalisation of kadi.

Enclosure 2 in No. 12.

Vice-Consul Atkinson to Sir H. White.

(No. 117.)

Tetuan, 28th June, 1921.

Sir,

WITH reference to my despatch No. 103 of the 8th instant, I have the honour to transmit herewith photographs* and translations of documents containing the testimony given before adool, or solemn declarations of certain natives regarding various points in connection with those claims of Sid Abdelqader-er-Rzini, which have been dealt with by the special Spanish Commission.

1. Solemn declaration made before me by the Fqih Sid Mohammad-el-Qattan on the Shereef-el-Hadj Mohammad-el-Moribto respecting the boundaries of the Ras Aqibats-el-Merra land and the visit of the commission to take note of them.

The Nadir of the Habous, Ben Marzooq, though, in my presence and that of Er Rzini, he stated his entire agreement with the sense of the declarations of the above two, asked Sid Abdelqader as a special favour not to request him to make any signed declaration, as he, being a Spanish-appointed functionary, was afraid of becoming the victim of reprisals.

2. Declaration made before adool by twelve reputable witnesses to the effect that, previously to the occupation, persons going in the direction of Tangier were in the habit of passing through Er Rzini's property at Ras Aqibats-el-Merra in wet weather to avoid the mud on the main road. The object of this declaration is to explain the apparent widening of the road, as shown on Captain Osinaga's map.

3. Aghattas' or artillery barracks' claim.

Declaration made before adool by six reputable witnesses and the Adil Aziman respecting the quality of the soil.

4. Doqm-el-Guezira or aviation ground.

Declaration by twelve witnesses made before adool to the effect that the water meadows are of far greater value than the higher lying land which the commission is willing to expropriate at 50 centimos Spanish per metre.

I have, &c.

C. R. B. ATKINSON.

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* Not reproduced.

(1.)

Ras Aqiba del Merra.

Evidence respecting Boundaries as shown to the Commission.

Praise to God alone !

The two persons whose signatures appear after the date know the field situated at Ras Aqiba del Merra bounded and described as stated in the mulkia attached to this document above with a full and sufficient legal knowledge. They testify that about two months previous to the present date they were invited to be present at a determination of the boundaries of the aforementioned field and the designation of two of its boundary points, that is to say, the north-western boundary and the eastern boundary. They were thither in company with the Nadir of the Habous-el-Kebir, the Shereef Sidi Mohammad-ben-Marzooq and Sid Abdeselam-er-Rzini, acting on behalf of his father, Sid Abdelqader-er-Rzini, and the Spanish engineer (*i.e.*, architect) in this town of Tetuan—may God encompass it with his protection—on the date above-indicated and other persons with them who were present on this occasion. They all proceeded to designate the aforesaid field. Then the witnesses stepped forward—may God guard them—and went round its boundaries in the presence of all those mentioned with an efficacious and general circumambulation. Then they showed the engineer in the presence of those already mentioned the two aforementioned points with a perfect designation, *i.e.*, that the north-western boundary, which is on the side of the Tangier road, is the big rock overlooking the Tangier road where it leaves the new quarter. It is the rock on top of which is a small building. As for the eastern boundary on the direction of the Habous-el-Kebir, they stated that it is the rock which is on the side of the road which leads to the Habous-el-Kebir, and that the boundary between those two rocks and comprised within their limits is the Tangier road. They add that when the designation of the said two boundaries was completed by them the engineer noted down the boundaries of the field, including the two boundaries in question, and he agreed to them all and raised no objection of any kind, and so in the same way did all who attended with him for the purpose with a complete agreement.

This is what they testified on the above-mentioned date, and their testimony is now noted down as requested from them, on the 9th Showal, 1339.

SID MOHAMMAD-EL-QATTAN.
SHEREEF EL HADJ MOHAMMAD-EL-MORIBTO
(his (X) mark).

This statement was read to the above-named deponents, who expressed their conformity and signed their names, the former in writing, the latter by mark, in the presence of me, C. R. B. Atkinson, His Britannic Majesty's vice-consul, Tetuan, Morocco, on the 21st day of June, 1921.

C. R. B. ATKINSON.

(2.)

Ras Aqibats-el-Merra or Er Rzini Barracks.

Shehada respecting Infringement of Boundary on Tangier Road Side of Estate.

Praise to God !

The witnesses whose names appear after the date know the field ascribed to Sid Abdelqader-er-Rzini at Ras Aqibats-el-Merra, which marches with the main road to Tangier and Fez, with a full, sufficient and legal knowledge. They bear witness that wayfarers going by the high road aforesaid (used to) avoid going on it during wet weather by reason of the excess of mud, and that before the (Spanish) occupation and the proper construction of roads, &c., and (used to) pass within the boundaries of Er Rzini's field aforementioned. In testimony of this their evidence as asked from

them was taken down on the 3rd of Showal, 1339. Addendum by adool. There is added (in the margin) "and that before the (Spanish) occupation and the proper construction of roads, &c."

Witnesses:

1. Shereef Sidi Ahmad-ben-Abud.
2. Sidi Mohammad-ben-Abdelqader Ash-Ash.
3. Sid El Arby-ben-Abderrahman Kerrish.
4. Sid Ahmad-ben-Ali-ben-Roho.
5. Sid El Hadj Mohammad Mostafa.
6. Sid Mohammad-ben-Ahmad-el-Laghmish.
7. Sid El Arby-ben-Abdelkerim Kerkish.
8. Sidi El Hadj Mohammad-el-Alwy-el-Moribto.
9. Sellam-ben-el-Hassan Moqal.
10. Sid El Hadj Ahmad Mostafa.
11. Sid Mohammad-ben-Abdelkhalaq-el-Qattan.
12. Sid Abdelkerim-ben-Abdeselem-ez-Zobeir.

Signature of adool.
Legalisation by kadi.

Translator's Note.—After "field aforementioned," read "This is what they know and what is within their certain knowledge, and they rely therefor on observation and passing by the said field."

(3.)

Shehada respecting the Soil of Aghattas.

Praise to God alone!

The witnesses whose names appear after the date know that Sid Abdelqader-er-Rzini is the owner of land at the Aghattas, and testify that its soil is of excellent condition, so that its owner will not be deceived in his hopes concerning what he sows there, unless it be a case of the act of God. They also testify that they are perfectly acquainted with Sid Abdelqader-er-Rzini. That is what they know, &c. Their evidence was taken down at the end of Ramadan 1339.

Witnesses:

1. El Hadj-el-Arby-ben-Mohammad-el-Attar.
2. Abdeselam-ben-Ahmed-esh-Shorby.
3. El Hadj Mohammed-bil-Hadj Mohammad-el-Moribto.
4. Abdelqader-ben-Ahmed-el-Lebbady.
5. Mohammad-ben-el-Arby-el-Lebbady.
6. Mohammad-ben-Abdelkhalaq-el-Qattan.

1. In the same way as the witnesses above testified, the servant of his Lord the Adil Aziman.

Signature of adool.
Legalisation of the kadi, El Fqih-ez-Zowwaq.

(4.)

Doqm-el-Guezira (Aviation Ground).

Shehada respecting the Quality of Water Meadows.

Praise to God alone!

The witnesses whose names appear after the date know the land at Fum (alias Doqm)-el-Guezira and Marj Khalal with a full legal knowledge, &c., and bear witness that it is composed of (water) meadow and higher-lying land, known as Ed Diour, and they bear witness that the value of the meadows is in excess by far over the

higher lands customarily because they, *i.e.*, the meadows, hold the water and the advantage arising therefrom for pasturing animals on them is continuous. This is their evidence as asked from them on the 2nd Showal, 1339. Added (in margin) by notaries "known as Ed Diour."

Witnesses:

1. Shereef Sidi Ahmed-ben-Mohammad-ben-Abud.
2. Sid Abdelqader-ben-Ahmad-el-Lebbady.
3. Sid Mohammad-ben-Abdelqader Baeza.
4. Sid Ahmad-ben-Abderrahman-en-Nasir.
5. Sid Mohammad-ben-el-Arby-el-Lebbady.
6. Sid Mohammad-ben-Mohammad-es-Skirej.
7. Sid Mohammad-ben-Abdeselam Costello.
8. Sid Mohammad-ben-Abdelqader Ash-Ash.
9. Sid Mohammad-ben-Ahmad-el-Fasi.
10. Sid Abdeselam-ben-Ahmad-esh-Shorby.
11. Sid-el-Arby-ben-Abdelkerim Kerkish.
12. Sid-el-Hadj-el-Arby-ben-Mohammad-el-Attar.

Signature of adool.
Legalisation of kadi.

[**W 7283/1430/28**] No. **13**.

The Marquess Curzon of Kedleston to Signor de Martino.

Your Excellency, *Foreign Office, July* 12, 1921.

IN reply to your note of the 4th instant, I have the honour to state that the attention of His Majesty's Government has been called to the grant, under conditions which would appear to be in conflict with the understanding reached between the British, French and Spanish Governments in 1914, of a concession for the construction of a port at Tangier.

2. The matter is at present under examination by His Majesty's Government.

I have, &c.
CURZON OF KEDLESTON.

[**W 6798/353/28**] No. **14**.

The Marquess Curzon of Kedleston to Señor Merry del Val.

Your Excellency, *Foreign Office, July* 13, 1921.

IN your note of the 7th May last your Excellency was so good as to transmit to me copies of the findings of the special commission appointed by the Spanish Government to enquire into the claims of Cid Abdelkadir-er-Rzini in respect of land which has been occupied by the Spanish military authorities in Morocco.

2. The findings of the commission have been most carefully examined by His Majesty's Government, and I regret to state that in their opinion the compensation offered by the Spanish Government to Er Rzini is altogether inadequate and cannot be accepted. The reasons on which this opinion is based can easily be demonstrated to your Excellency, and in order to save time and to avoid the exchange of lengthy correspondence, I am ready to adopt the suggestion made by your Excellency in the course of an interview at this Office that the matter should be discussed verbally between your Excellency or a member of your staff and a representative of this Department. I should be glad to learn as soon as possible whether you agree to this course, and what time and date would be convenient.

I have, &c.
CURZON OF KEDLESTON.

[W 7590/790/28] No. 15.

Foreign Office to Treasury.

Sir, *Foreign Office, July* 13, 1921.

I AM directed by the Marquess Curzon of Kedleston to transmit to you, for the information of the Lords Commissioners of His Majesty's Treasury, a copy of a letter, with enclosures,* which his Lordship recently addressed to the Board of Trade on the subject of the grant by the Moorish Government of a concession for the exploitation and construction of harbour works at Tangier.

2. The important feature in the situation is the preponderant interest secured by the French as the result of the transfer of the ex-enemy shares in the Société internationale pour le Développement de Tanger to a group representing the Shereefian Government, who are entirely under French influence. It is clear that this preponderance, coupled with the extensive rights and powers conferred upon the Société internationale, will be used by the French to obtain complete control of Tangier, thus stultifying the policy of His Majesty's Government, which aims at the establishment of an international régime designed to prevent the town from falling into the hands either of France or Spain, or of any other single Power.

3. The Spanish Government, who are exceedingly indignant at what they consider increasing French encroachments of Tangier, regard the grant of the concession, under conditions which differ materially from those agreed upon in 1914, as the most serious violation of their treaty rights which has yet occurred; and they have invited His Majesty's Government to associate themselves with the strong protest which they have made to the French Government. A copy of the Spanish note is enclosed herewith.†

4. In view of the grave apprehension with which the naval and military advisers of His Majesty's Government would regard the passing of Tangier into the hands of any single great Power, and in pursuance of the general policy of internationalisation, Lord Curzon proposes shortly to follow up the preliminary observations which have already been made to the French Ambassador by a formal protest at Paris. A mere protest, however, would be useless unless accompanied or followed by an intimation of the conditions in which His Majesty's Government would be prepared to participate in the scheme for the construction of harbour works at Tangier. One of the most objectionable features of the present concession is the guarantee by the Moorish Government of the interest on the bonds to be issued by the Société internationale, and it is essential if French domination over Tangier is to be avoided that this guarantee should be taken over either by the British, French and Spanish Governments jointly, or by the municipality of Tangier, so soon as it shall have been set up under an international régime. The Lords Commissioners will see that this is one of the conditions stipulated in the Spanish protest.

5. It is quite uncertain at present when and under what conditions the international municipality will be brought into being, but in any case its finances will, to begin with, in all probability have to be guaranteed to some extent by the Powers. The assumption by His Majesty's Government of some financial liability is therefore a practically inevitable concomitant of the internationalisation of Tangier under the auspices of the Powers, and Lord Curzon earnestly trusts that the Lords Commissioners will authorise a statement that His Majesty's Government will be prepared to shoulder some portion of this liability. Without a guarantee of the interest on the bonds, the necessary capital for the construction of harbour works at Tangier will not be forthcoming, and in that case the French Government will not be slow to throw on His Majesty's Government the whole responsibility for still further delaying the construction of public works which for years past have been recognised as absolutely essential for the prosperity, indeed for the continued existence, of Tangier. In short, it will be almost impossible to take effective action in the present instance and eventually to secure an honest internationalisation of Tangier unless His Majesty's Government will consent in principle to participate in the guarantee given; the amount involved is comparatively small, and, in view of the important interests at stake, Lord Curzon trusts that the Lords Commissioners will sanction such British participation in principle.

6. His Lordship would be grateful if the Lords Commissioners would favour him with their views on the subject at an early date.

I am, &c.
G. H. VILLIERS.

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* See Part 49, No. 51.

† See No. 7.

[W 7430/790/28] No. 16.

Foreign Office to British Merchants' Morocco Association.

Sir, *Foreign Office, July* 13, 1921.

I AM directed by the Marquess Curzon of Kedleston to thank you for your letter of the 8th instant, setting forth the views of the council of your association with regard to the grant by the Sultan of Morocco to the Société internationale pour le Développement de Tanger of a concession for the construction and exploitation of port works at Tangier.

2. Your statement of the distribution of the capital of the international company before the war is correct. It was only in virtue of the genuinely international character of this company that His Majesty's Government in 1914 were prepared to agree that the provisions of the Act of Algeciras relating to the granting of contracts by public adjudication might in this case be dispensed with.

3. It is true that, in return for an undertaking by the Maghzen to guarantee the interest on 35,000,000 fr. of bonds to be issued by the company, the ex-German and, it is believed, the ex-Austrian shares have been allotted to a group representing the Shereefian Government. Neither His Majesty's Government nor the Spanish Government were consulted with regard to this arrangement, and it follows that their attitude towards the company must be carefully reconsidered. The suggestion put forward by your council for a redistribution of the capital will be borne in mind when His Majesty's Government come to frame the conditions on which they will be prepared to signify their approval of the scheme.

4. His Majesty's Government take a serious view of the possible results, both political and commercial, which would ensue if the concession were retained in its present form, and neither they nor the Spanish Government have any intention of acquiescing in the situation with which they have been confronted. The Spanish Government, indeed, have already made a formal protest to the French Government, and His Majesty's Government propose, if needs be, to follow up the informal communications which have passed with the French Ambassador, and which can have left no doubt as to their attitude, by a formal statement of the grounds on which they must withhold their assent to the present arrangement.

5. The policy of His Majesty's Government with regard to Tangier has undergone no change, and they have not relinquished their desire for the early institution of a genuinely international régime.

I am, &c.
G. H. VILLIERS.

[W 7999/790/28] No. 17.

Memorandum by Sir E. Crowe respecting the Tangier Harbour Concession.

THE French Ambassador came to speak to me to-day on the subject of the Tangier Harbour Concession. He said that he had discussed the matter at some length at the Quai d'Orsay during the few days that he had just spent at Paris. He thanked me for the communication I had made to him just before his departure, which dealt both with our criticisms on the action of the French Government in regard to the concession and with the general question of the internationalisation of Tangier. To my no small surprise the Ambassador confessed to me that what I had said had been entirely new to him. He had, however, referred to the correspondence in Paris, and acknowledged that what I had said was entirely accurate. Speaking more particularly about the harbour concession, he took up the two points on which I had laid stress:—

1. The French Government, as he had anticipated, were quite ready, he said, to reconsider the distribution of the shares in the international company. They would be disposed to allot some additional shares to Great Britain—perhaps those shares which had formerly been assigned to Austria. I said I was glad to hear that the principle of redistribution was approved, but I would have to examine, with the assistance of our experts, whether this particular suggestion would really meet the case. I asked whether the French Government proposed to make any similar concession to Spain, to which he answered with a decided "No."

2. Our second objection had reference to the failure of the French Government to submit a draft of the concession, before it was definitive, to the Diplomatic Corps

at Tangier. The French Government still considered that this was an unnecessary procedure, and they held themselves more particularly justified in not adopting it for the reason that the Diplomatic Corps at Tangier was now no longer what it had been when the original proposal to submit the matter to them had been agreed upon. The Diplomatic Corps in its true sense would include German and also Austrian representatives, and the French Government would on no account consent to their having a voice in this matter. The Ambassador thought that so long as Great Britain and France came to an arrangement no further consultation with other Powers was required, for as regards Spain it was a foregone conclusion that she would not agree to anything and it was therefore not worth while consulting her. I took objection to this line of argument, and said that it was the business of diplomacy to devise arrangements which could be accepted as satisfactory by all the parties concerned. That the Spanish Government was very directly concerned could not be disputed, and it seemed to me therefore essential that the consent of the Spanish Government to a solution should be obtained. But I added that there was more than this in the principle of a reference to the Diplomatic Corps, and begged the Ambassador not to run away with the idea that, because I had mentioned the two principal points referred to, there were no other objections in the scheme as recently approved by the French Government. The *cahier des charges* contained a mass of detail which I was not myself competent enough to analyse, but which, according to the report of our representative at Tangier, contained quite a number of clauses which gave rise to serious criticism on our part. We had thought that by referring the whole scheme to the Diplomatic Corps, opportunity would be given to deal with all such blemishes, and if no such reference were allowed to take place, it would become necessary to devise some other procedure for dealing with the clauses of the concession in detail.

The Ambassador observed that clearly the point on which all our criticism laid stress was the disproportionate degree of influence alleged to be allowed to the French Government in regard to the harbour at Tangier. He had himself impressed upon the Quai d'Orsay the necessity of meeting us on this point, but it had been pointed out to him there with great force, and he was instructed to explain to us, that we were under a complete misapprehension if we believed that the powers assigned to the Makhzen were equivalent to powers conferred on the French Government. I said I should indeed be curious and interested to learn from M. de Saint-Aulaire how any distinction between the two could be made. His answer somewhat astonished me.

He admitted that at the present moment the protectorate exercised by France placed the Makhzen in all matters of foreign relations, and practically all important matters of internal administration, under the authority of the French representative in Morocco, but this was an arrangement which in all probability would not last long, and we could rely on such changes arising in the near future as would dispel all fear that French influence would decide all questions of Moorish policy. He said that we on our part were experiencing an evolution in Egypt at this moment which would almost certainly lead to similar developments in the French possessions and dependencies in Northern Africa, and he foresaw the time when the Sultan of Morocco would through his own Ministers exercise most of the powers at the present moment controlled by the French. I asked M. de Saint-Aulaire whether he wished me seriously to accept this forecast as a reason for not at present objecting to French preponderance in matters where such preponderance might be open to criticism. He said "Certainly." He begged us to look with perfect equanimity on any disadvantages we might see in what appeared to us a somewhat extended French predominance, in the expectation of this predominance disappearing and making way for Moorish autonomy. I declined, in all courtesy, to accept this proposition, and, when the Ambassador proceeded to argue that his line of argument was a complete answer, not only to our criticism of a harbour scheme, but to our demand that an international authority should take over the Government of Tangier from the Makhzen under French protection, I remarked that what he asked us to do was to accept a position in Tangier which we considered unsatisfactory, and which the French Government was pledged to us to discontinue on the assurance that in the nebulous future changes might take place in Morocco which would render it unnecessary for us to insist on our demand. M. de Saint-Aulaire repeated what he had told me on a previous occasion, that the French Government were quite prepared now to give us the most positive assurance that when the "special régime" for Tangier came to be established the terms of the harbour convention should be brought into harmony with the new situation. I reminded his Excellency that when

he told me this before, I had objected to the extreme vagueness of such an assurance, and I begged him to acknowledge that he was asking us too much in suggesting that something highly unsatisfactory to us should be accepted on the mere promise that something else quite unspecified might be done after some indefinite time. I repeated that I saw no way out of this present *impasse* than that the French Government should come forward with something precise and definite as to what they intended to do as regards the administration of Tangier. It seemed to me really absurd that our two Governments should have this awkward question standing between them without any effort being made to dispose of the difficulty. Unfortunately a point of procedure had been raised—namely, where the necessary discussion should take place—which threatened to make all discussion impossible. I would again plead for putting aside this point for the moment, and taking steps to bring to the front the question that really mattered, namely, the régime to be established. M. de Saint-Aulaire again, and at great length, assured me that the French Government were only too anxious to come to some understanding with us on the matter, which he thought would present no difficulty, for the French were determined to meet us on the two points of importance to us: (1) The demilitarisation of the Tangier zone, and (2) guarantees for our trade. But he persisted in the refusal to allow Spain to partake in this discussion until at least a preliminary agreement had been arrived at between our two Governments. When I asked him for a reason for this obstinacy, which seemed to me rather foolish, he said that he knew Spain too well not to be sure that an agreement with her was impossible, and he proceeded to develop once more the argument that we should be quite safe in leaving Spain out of account.

I expressed my disappointment, and I said I hoped his Government would yet adopt a less unreasonable attitude.

E. A. C.

Foreign Office, July 20, 1921.

[**W 7903/790/28**] No. 18.

Board of Trade to Foreign Office.—(Received July 23.)

Sir, *Board of Trade, July 22, 1921.*

WITH reference to your letters of the 30th June and 14th July on the subject of the Tangier port concession, I am directed by the Board of Trade to state that, while they appreciate that from the political point of view the increase in French influence in Tangier is a matter of great importance, they are disposed to think that, from the purely commercial standpoint, the precise status of the city is a matter of relatively minor consideration. The development of the port and the completion of the Tangier–Fez Railway would doubtless increase the trade of Tangier very largely, but this trade would be mainly a transit trade on which it is unlikely that burdensome taxation or restrictions would be placed. It is, of course, essential that any arrangements agreed to by His Majesty's Government with regard to Tangier should be subject to there being no discrimination against British goods, vessels or subjects in matters of commerce, industry and navigation. It is possible that equitable treatment in these matters would be better safeguarded if Tangier were placed under international control, but it cannot be said that such control is necessary in the interests of British trade.

So far as concerns the concession itself, this appears to the Board to have two aspects which it is desirable to keep separate. Under its terms the so-called international company is entrusted with the task of (*a*) maintaining the port works and exploiting the port, and (*b*) carrying out the actual constructional work.

Under articles 106–108 of the Act of Algeciras the concession for both purposes is required to be put up for public tender, the exploitation of the port clearly coming under the head of "l'exploitation des services publics," whilst port construction is specifically mentioned as a matter which has to be dealt with in the same way. Whilst in 1914, largely it would appear at the suggestion of the British representative on the International Commission, it was agreed that, having regard to the international character of the company which was then proposed as concessionnaire, the provisions of the Act of Algeciras should be waived, it is clear that this arrangement cannot be held to apply without a renewed consent on the part of the Powers to a company whose composition has been materially altered.

Nevertheless, so long as the equal treatment of British subjects, British goods and British shipping is properly safeguarded, it would seem from the purely commercial

point of view that the fact that British capital was not adequately represented in the company that controlled the working of the port would not necessarily place British trade at a disadvantage. It may be assumed that a company under French control would not be likely to take any steps which would interfere with the efficient working and development of the port.

On the other hand, a much more serious question arises in regard to the work of port construction and the possibility of adequate British participation in the work. The concession makes the company the actual contractor for the construction, and apparently leaves no opening for the independent British contractor. The Board therefore regard it as of the highest importance that His Majesty's Government should insist on adherence, in respect of the work of port construction, to the principles laid down in articles 106–108, should a redistribution of the capital of the company, which would restore the basis on which His Majesty's Government agreed to waive the application of these articles, not prove feasible either on account of possible difficulties in respect of finance or on political or other grounds.

It is observed that under article 1 of the concession the supply of materials and plant is to be put out to tender, but the Board fear that if the company is one in which 53 per cent. of the capital is under French control, British firms might even fail to secure a proper proportion of the contracts for the supply of such plant and materials.

It appears therefore to the Board that it would be desirable, if possible, to secure a reorganisation of the company on a basis in which British capital is adequately represented, but that, failing this, the least which could conceivably be agreed to is that the concession to the international company, if constituted as at present, should be limited to the maintenance and exploitation of the port, and that all the actual work of construction as well as the furnishing of the necessary supplies should be made the subject of public tender. The essential matter from the trade point of view is that no stone should be left unturned to secure that British contracting firms shall have adequate opportunities of obtaining a fair share of the work of port construction.

I am, &c.
H. FOUNTAIN.

[W 7997/790/28] No. 19.

Sir H. White to the Marquess Curzon of Kedleston.—(Received July 26.)

(No. 299.)
My Lord, *Tangier, July 17, 1921.*

I HAVE just received your Lordship's despatch No. 179 of the 5th instant communicating to me various papers in regard to the concession of the port of Tangier, and have read with great interest the account of the conversation between Sir Eyre Crowe and the French Ambassador.

It is difficult to understand how the French Government, as stated by Count de Saint-Aulaire, could "be surprised to hear that His Majesty's Government could possibly have any objections to the arrangements which had been completed" or "that anything had been done which would not meet with their approval," for my French colleague cannot have failed to report to his Government the conversations we had on the subject on many occasions, when I had invariably impressed on him the importance attached by His Majesty's Government to an adherence to the arrangement arrived at in regard to the port, that is, that when the engineer of the Caisse spéciale and the International Company had come to terms the agreement should be submitted to the International Commission or to the Governments concerned in order that, if approved, it might be put before the Diplomatic Body at Tangier. Moreover, upon receipt of your Lordship's telegram of the 4th July, 1919, stating that His Majesty's Government expected that no final action would be taken in this matter without their knowledge and consent, I at once called upon M. de Carbonnel and communicated to him the substance thereof, and later, in order that there could be no misunderstanding in the matter, I addressed him a note capitulating the history of the negotiations and adding that "mon Gouvernement ne doute pas que cet arrangement ne soit maintenu et il s'attend à être consulté par mon entremise, quand les susdits documents auront été complètement arrêtés."

Mr. Harris, when passing through Tangier the other day on his way to Marrakesh, told me that the reason why the French Government had not communicated to His

Majesty's Government the draft concession was that if it had done so it would have had to communicate it also to the Spanish Government, which would have been sure to raise difficulties. It is clear, therefore, that the French Government anticipated objections and wished to face the Powers interested with a *fait accompli*. I believe, however, that in acting as they did they were also in a great measure influenced by their unwillingness to allow any derogation to the Sultan's authority in Tangier that might be implied by a reference of a matter of this nature to the Diplomatic Body.

I have, &c.
HERBERT E. WHITE.

[W 7998/1968/28] No. 20.

Sir H. White to the Marquess Curzon of Kedleston.—(Received July 26.)

(No 300.)
My Lord, *Tangier, July 17, 1921.*

IN his conversation with Sir Eyre Crowe reported in the memorandum of the 27th ultimo, copy of which was transmitted to me in your Lordship's despatch No. 179 of the 5th instant, the French Ambassador repeated the usual French argument against the internationalisation of Tangier that all that the treaties demanded was that a special régime should be established at Tangier, basing this contention on article 7 of the Franco-Spanish Treaty of 1912.

It is true that the article in question does not mention the word "international," but adopts the phrase "special régime" used in article 9 of the Franco-Spanish Secret Treaty of 1904 and repeated in article 1 of the Protectorate Treaty of 1912, but it is clear that the "special régime" contemplated was an international one, for at the very time that the Franco-Spanish Treaty of 1912 was being negotiated, parallel negotiations were in progress at Madrid for the internationalisation of Tangier, my French and Spanish colleagues being then engaged with me in drawing up a draft convention for that purpose. Moreover, the terms of the Franco-Spanish Treaty itself clearly show that Tangier was to have an international régime, for if the French Government would refer to article 13 of that treaty, as well as to article 7, they would see that the seventh paragraph runs as follows: "2. Que les recettes douanières encaissées par le bureau de Tanger devront être réparties entre la zone *internationalisée* et les deux autres zones. . . . ."

Apart, therefore, from the many engagements entered into by the French Government for the internationalisation of Tangier, the binding nature of which they are now unwilling to admit, it appears to me that by the terms of the Franco-Spanish Treaty itself they are expressly committed to the acceptance of an international régime for Tangier.

I have, &c.
HERBERT E. WHITE.

[W 8257/790/28] No. 21.

Memorandum by Sir E. Crowe.

THE Spanish Ambassador called upon me to-day for the purpose of discussing the present position of the Tangier harbour scheme. He had hoped to interview Lord Curzon on the subject, but he quite recognised that with the many calls on his Lordship's time at present he could not receive him at this moment.

The reason why he was anxious to talk over the matter was that, according to a note which his Government had received a few days ago from the French Ambassador at Madrid, it would appear that the French Government had received from us assurances which justified them in declaring that the British Government made no opposition to the scheme and was practically in agreement with the French Government in the matter. This had seriously alarmed the Spanish Government, and he had been instructed to ascertain what had actually passed between us and France.

I said I was glad he had taken this course, as it was important not to allow so complete a misapprehension of the situation to remain uncorrected. I had Lord Curzon's authority for explaining to him exactly what our attitude was, and what had passed on the several occasions on which the French Ambassador interviewed me on this subject.

I proceeded to explain how Comte Saint-Aulaire had handed to me the text of the concession without a word of explanation, and how, in answer to my request for some statement of the views of his Government, the French Ambassador had discussed with me verbally a number of points which I had raised as indicating certain *primâ facie* objectionable features of the scheme. I had laid stress on three points:—

1. The redistribution of the shares in the concessionary company in a manner to give an absolute majority, and therefore complete control, to the French.
2. The absence of any provision for the transfer to the future municipality of Tangier of the existing rights conferred under the concession upon the Makhzen
3. The failure of the French Government to submit the concession to the Diplomatic Body at Tangier before definitely granting it to the company.

On all these points the French Ambassador, who was then on the eve of paying a visit to Paris, promised to obtain the views of his Government. At the same time he entered into some argument concerning the international authority to be set up at Tangier on the lines on which he had on several occasions already spoken to me. He was rather emphatic in declaring that we must once and for all understand that, whilst France was quite ready to establish the special régime at Tangier which was stipulated for in the agreement of 1912, she could not admit that she could be asked to do anything not appearing in the actual text of the treaty.

I had pointed out to him the special obligations into which the French Government had entered with us and with the Spanish Government as regards the setting up of an international authority at Tangier, and as the Ambassador appeared to question the accuracy of my statements, I had subsequently written to him a private note quoting from the correspondence which had passed at the time in order to establish that, although the engagement to set up an international authority was not made in the form of a treaty, it constituted an honourable and moral undertaking to which we claimed to be fully entitled to hold the French Government.

Soon after his return from Paris the Ambassador had come to see me again. He had begun by saying that, having referred to the correspondence at the Quai d'Orsay, he found that I had been quite accurate in what I had written to him, adding that he had been unaware of the correspondence to which I had referred. He had then given me the desired explanations of his Government on the specific points in the Tangier concession to which we had raised objection.

He had begun by endeavouring to prove that we were quite wrong in assuming that the transfer of additional shares in the concession to the Makhzen was equivalent to establishing definite French control of the company. He wished me to believe that there was no ground for anticipating that the powers confided to the Makhzen would necessarily be exercised in their name by the French Government. On my expressing unfeigned surprise at this view, he explained that no doubt at the present moment the French protectorate assured the practical control of all political acts of the Sultan by the French Government, but this was in all probability a transitory state of things. We must be prepared, he suggested, in Morocco, as elsewhere in Mahommedan and Oriental countries, to see a diminution of the powers of foreign protecting authorities at the expense of the growing independence of the native. He pointed to the present position in Egypt as illustrating this evolution, and he felt sure that before long a similar development in Morocco would leave in the hands of the Sultan and his native Government much of the power at present virtually wielded by the French resident.

To this I had replied that this was a very interesting forecast of the political development of the French protectorate in Morocco, but that it had little practical bearing on the extent of the powers conferred upon the Makhzen by the port concession at this moment. On the Ambassador's own admission, control by the Makhzen for the present meant French control. The Ambassador had then declared that his Government were, as a matter of fact, ready to consider a fresh redistribution of the shares in the company, within certain limits. He had suggested that the three Austrian shares, for instance, might be allocated otherwise than to the Makhzen; he was, however, not in a position to put forward any definite proposals.

As regards submitting the concession to the Diplomatic Body, the position taken up by the French Government was that the recommendation to this effect made by the expert commission of 1914 no longer corresponded to the present situation. It would be impossible to submit the concession to a body in which Germany and Austria were represented, and the French Government had not thought it necessary again to consult Great Britain and Spain because their assent had been assumed from the fact that they

had been represented on the expert commission. I had replied that I did not wish to stand on the letter of the commission's recommendation, and that we should be quite satisfied to see the terms of the concession referred to a body in which, besides ourselves and France, Spain was also represented. This appeared to be all the more necessary as the French Ambassador had drawn a wrong conclusion from my not having mentioned objections to the scheme other than the three which we had discussed. The concession, with the attached "cahier des charges," consisted of a long series of clauses which must be examined in detail by experts before their exact significance and bearing could be understood. So long as we could rely on an examination by the Diplomatic Body at Tangier, assisted by their experts or some other body similarly composed, it was unnecessary to raise a number of minor but possibly important points.

This was succinctly what had passed between me and the French Ambassador on the subject of the harbour concession. His Excellency had promised to report the purport of our conversation to his Government, but meanwhile I had been unable to obtain from him any precise proposals for dealing with the case.

I explained to the Spanish Ambassador that I had taken this opportunity of pointing out to Count Saint-Aulaire how closely the Tangier harbour project was affected by the larger problem of the future government of Tangier. I regretted that, largely for reasons of prestige and *amour-propre*, the French Government had taken up an attitude as regards the place where this larger project should be discussed in conference which had led to the *impasse*. It seemed to me of the utmost importance, in the interest of all three countries, that this question should at last be seriously tackled, and I had repeated to Count Saint-Aulaire, in a more pressing form, a suggestion which I had more than once on previous occasions put forward, that the French Government should make some definite statement as to what exactly were the proposals for the specific régime at Tangier which they were ready to advance. If, I said, as Count Saint-Aulaire had assured me was the case, the French Government had every desire to propose something which would give entire satisfaction to the British Government, and to some degree to the Spanish Government, it was surely a great pity that they did not come forward with their scheme and submit it to the consideration of the British and Spanish Governments as a basis of a discussion *à trois*. I could not but hope that, if this were done, the way would be found towards opening a discussion, whether in one place or another, and reaching a practical conclusion.

Having reported the result of my conversations to Lord Curzon, his Lordship had directed me to prepare the draft of a communication to be addressed to the French Government, up onwhich I was at the present moment engaged. It would take the line of thanking the French Government for the explanations they had given, of restating our principal objections, and inviting the French Government to place before us definite proposals as to the manner in which they would suggest to meet them.

The Spanish Ambassador begged me to thank Lord Curzon for having authorised me to give these explanations, for which he was extremely grateful. He was particularly glad to be thus enabled to assure his Government that there was no foundation for the French allegation that a complete understanding had been reached between the British and French Governments on the subject of the Tangier concession without previous consultation with Spain.

There was only one point, he said, which the Spanish Government had taken up in Paris to which I had not alluded, and that was the question of the guarantee by the French Government of the loan to be raised by the port company. The Spanish Government had demanded that this guarantee should be given by the three Governments in proportion to the shares held by their respective national groups in the company. I said I was aware of the position taken up by the Spanish Government in this matter, and I could say at once that we shared their apprehension and agreed that the joint guarantee by the three Powers was desirable. This was, however, a matter which required careful consideration by the financial authorities, which, in this country, as he was no doubt aware, were traditionally opposed to Government guarantees of international enterprises of this kind. I was therefore not in a position to raise this point with the French Ambassador until my own Government had come to some definite conclusion on the subject.

Foreign Office, July 29, 1921.

[W 8232/799/28] No. 22.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received August 2.*)

(No. 308.)

My Lord, *Tangier, July 25, 1921.*

I HAVE the honour to acknowledge the receipt of your Lordship's despatch No. 184 of the 12th instant transmitting a copy of a note addressed to His Majesty's Ambassador at Paris by M. Briand, who states that the narrow-gauge railways in the French zone are military railways belonging to the French Government and, as such, are not subject to the Adjudications Regulations under the Act of Algeciras.

It is true that the narrow-gauge lines were originally built as military railways and were at first used exclusively for military purposes, but this has now changed, and the lines are chiefly used for commercial purposes, although the military have naturally a first claim upon them. The numerous "arrêtés" laying down the tariff for goods conveyed by these lines, copies of which have been furnished by me to your Lordship, show that these lines are now practically commercial. Moreover, the fact that these railways are now run by the Shereefian Government and are a charge upon its budget of itself, in my opinion, brings them under article 107 of the Algeciras Act.

I have, &c.
HERBERT E. WHITE.

[W 8216/184/28] No. 23.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received August 2.*)

(No. 309.)

My Lord, *Tangier, July 26, 1921.*

NEWS of the disaster to the Spanish forces in the Riff did not reach Tangier till the 24th instant, and then only from a few copies of a Cadiz paper that reached this place *viâ* Ceuta and Tetuan, for the Spanish steamers that usually carry the mails to Tangier had been requisitioned to convey troops to Melilla, and we were left without mail for two days. As news of the disaster would doubtless have been received by your Lordship earlier from Madrid, I did not consider it necessary to telegraph to you on the subject.

Later reports have more than confirmed the first accounts that were received here: indeed, the disaster has assumed larger proportions than was at first thought possible, for, according to the latest accounts, the tribes are attacking positions close to Melilla, such as Seluan and Nador, where, according to official accounts, isolated groups of Spaniards are still holding out, and even the aerodromes within a short distance of Melilla have been dismantled and abandoned.

I have the honour to transmit herewith two despatches from His Majesty's vice-consul at Tetuan, reporting such information as he has been able to gather on the subject. Spanish officers at Tetuan who may be supposed to have access to official information put the losses at a high figure. The desertion of the trained native troops on whom they relied to take the front lines in attack and thus save the Spanish troops is a serious feature of the affair, especially when coupled with the capture by the tribes of large numbers of guns, machine-guns, rifles, &c., for they will form a valuable addition to the insurgent forces.

It is nearly certain that the tribes have with them some German deserters from the French Foreign Legion, who serve the guns captured last month at Albarán and show the natives how to make trenches, &c.

The Beni Aros operations were, of course, suspended on receipt of news of events in the Riff. This is unfortunate, as they had reached an interesting stage. The Spaniards had occupied positions within two or three miles of Tazerout, Raisuli's home, and had given that chieftain until the evening of the 23rd to surrender, which, in consequence of negotiations which had taken place privately, he was expected to do. The advanced posts are still held by the Spanish troops but there has been a lull during the last few days, though Raisuli has not surrendered. It remains to be seen what will happen when the tribesmen have full details of the disaster to the Spanish troops in the Riff, of which they appear not yet to have heard when the latest arrivals here from there left there. In the meantime fresh troops have arrived from Spain at Ceuta to replace those sent to Melilla; therefore, unless on learning what has happened in the

Riff the native troops in the Tetuan command should also desert, the Spaniards may be able to hold their positions in Beni Aros.

The next few weeks will be very difficult for the Spaniards, for unless they can speedily, to some extent at any rate, restore the situation at Melilla, there is grave danger of a general rising in their zone, the native troops deserting to the enemy with their arms. Should this occur, the Spaniards will find themselves back in the position in which they were ten or more years ago.

I have, &c.
HERBERT E. WHITE.

Enclosure 1 in No. 23.

Vice-Consul Atkinson to Sir H. White.

(No. 135.)

Sir, *Tetuan, July 23, 1921.*

WITH reference to my despatch No. 109 of the 16th ultimo I have the honour to report that ever since the capture of the Spanish position at Albarán in Temsamen with its artillery and stores of munitions, the Riffians have apparently continued their attacks on Spanish positions and convoys on an increasing scale. A few days ago native reports came in that a Spanish position with two guns had been captured, as well as a number of rifles put as high as 2,000. At the same time Spanish press reports, reticent and meagre as they are, of attacks, &c., increased. No official statement implying the loss of a position has, however, been made. It is therefore difficult to form an opinion as to the accuracy of the report. There has, however, undoubtedly taken place, within the last two or three days, some serious reverse in the Melilla region. What exactly has happened is kept as secret as possible, and the report which I give must be read with every reserve.

Early yesterday afternoon rumours began to circulate in native quarters of a big Spanish disaster. A Moor of repute told me that a Riffian servant of the High Commissioner had stated to him that a telegram was first received, according to which three Spanish companies had been surrounded and captured with the guns they had with them, and that a battalion of the Regimiento de la Corona [?] had been cut up; General Silvestre requested the High Commissioner to send him men with all speed. A subsequent telegram is reported to have said that General Silvestre was either a prisoner or dead. This I most frankly discredit. The probability of the previous statement having a solid basis is increased by the fact that all last night a series of special trains took troops straight from the Beni Aros fighting to Ceuta to be embarked for Melilla, and that this morning and this afternoon six or eight additional trains similarly freighted have gone. The High Commissioner himself left for Melilla this morning by gunboat.

Native reports claim 13 guns taken and 300 cases of cartridges, at 4,000 to the case. It is alleged also that various positions have been captured, the Spaniards expelled from Temsamen and Beni Said of the Riff and that the Riffians are on Qalaiya territory. They say that numerous desertions from the Spanish native troops have taken place, as many as 100 men even deserting at the one time under their native lieutenants and sergeants. If only half of this be true, or even the quarter, the event is an unfortunate one in every way, but more especially as Generel Berenguer has been obliged to weaken the Beni Aros front to help his subordinate. I do not consider that this will necessarily affect the march of events there. Were the natives capable of shaking off their hallucination respecting Raisuli, whose policy of *laisser-aller* in face of the gravest danger almost convinces me of his treachery, the results might be serious for Spain, who is so anxious to make her war here popular at home and to propagate abroad the illusion of her successful penetration and colonisation of this country.

I have, &c.
C. R. B. ATKINSON.

Enclosure 2 in No. 23.

Vice-Consul Atkinson to Sir H. White.

(No. 136.)

Sir, *Tetuan, July 25, 1921.*

WITH reference to my despatch No. 135 of the 23rd instant, I have the honour to report that further information has reached me from a good source. I give it to

you, as you will readily understand, however, without absolutely guaranteeing its authenticity :—

In view of the continuous attacks on the positions with which the small columns sent were unable to deal, General Silvestre left Melilla a few days ago with a column of over 8,000 men, infantry and cavalry, artillery and stores. He summoned Beni Said to fight for him. They refused, and he passed through their territory to meet the enemy. On coming into contact with the Riffians, mainly Beni Ouriagal, under the command of Ben Abdelkerim-el-Khattaby, formerly Qadi of Melilla, the 2,000 *regulares* with General Silvestre killed, wounded, or captured their Spanish officers to the extent of some seventy or eighty, and with the native police, who accorded their officers similar treatment, passed over to the enemy. The Spaniards were assailed on every side by the enemy and in the rear by the tribes, who rose against them to a man. When he saw that all was lost, General Silvestre called for the horses that he and his staff might fight their way through. He was answered that the horses were gone. He then shot himself, and his chief of staff, a colonel, did likewise. In another minute he would have been captured, for the Riffians broke in on them immediately afterwards, and a general discharge accounted for the remainder of his staff.

General Navarro, who succeeded in the command, hoped at first to be able to hold up the Riffians on the Qert. The latest information is, however, that the Spaniards are holding positions at Mount Arruit, some 30 kilom. from Melilla, with which they are connected by the Tiztutin railway. It is a good position, and the very rapidity of the Riffian advance may, in the end, prove their undoing. It would, I hazard, have been better tactics to have allowed the Spaniards to halt further away from a railhead, say a day's march. Now reinforcements and supplies can reach the Spaniards in an hour at most from Melilla, and I can only suppose that General Berenguer will take full advantage of the situation. Regiments are being sent to Melilla from Spain, and troops withdrawn from here as quickly as possible. A brigade of Peninsular troops is stated to have left Madrid to garrison Tetuan and its surroundings.

It appears that all or most of the positions amongst the tribes were voluntarily abandoned rather than that they should stand a useless siege.

As regards Spanish losses in men nothing accurate is known. That they run into thousands is probable. It is said that the fate of the majority of the 300 odd officers with the column is unknown apart from that of the *regulares* and police officers, who were all killed, wounded or captured.

Eleven Spanish batteries, as well as machine-guns and armament, &c., are stated by Spanish officers to have been captured, and it is to be presumed that there were some other guns in the abandoned positions.

No newspapers can be obtained here, and there is therefore no means of collating rumours and confidential disclosures with such official statements as it may be judged fit to issue. I therefore crave your indulgence should my report seem in the event to you to be not so exact as you have a right to expect, though I hazard the opinion that there is perhaps but little chance of this being so to a great degree.

An ominous incident is stated by natives to have occurred at Centa. A contingent of native *regulares* refused, they say, to embark, and, with loaded rifles, assumed so menacing an attitude that their commanding officer, at his wits' end, sent and had some notes changed for silver, and finally by dint of many words and a dollar each induced the men to go on board.

I have, &c.
C. R. B. ATKINSON.

[W 8328/790/28] No. 24.

Treasury to Foreign Office.—(Received August 4.)

Treasury, August 3, 1921.

Sir,

I HAVE laid before the Lords Commissioners of His Majesty's Treasury Mr. Villiers's letter of the 13th ultimo, relative to a proposal that His Majesty's Government should join in a guarantee of interest on a loan to be raised for harbour works at Tangier.

It is not clear whether what is proposed is a joint or several guarantee; but in any case no such guarantee could be given without a specific Act of Parliament. My Lords

find some difficulty in seeing what grounds could be urged in the House of Commons in support of a Bill for this purpose.

It is the settled policy of His Majesty's Government to avoid further guarantees in respect of loans, even in the case of British dominions and protectorates, and my Lords regret that it is quite impossible for them to contemplate in present circumstances any guarantee or other financial support for Tangier harbour.

I am, &c.
B. P. BLACKETT.

[W 8481/1968/28] No. 25.

Minute by Sir Eyre Crowe respecting the Tangier Harbour Concession.

THE Spanish Ambassador reverted in conversation with me to-day to the subject of the Tangier harbour concession, and informed me that the report of his recent interview with me on the subject had made the most gratifying impression at Madrid. This being so, the Ambassador felt it unnecessary to trouble me with a communication which he had received from his Government and which had crossed his report, but he could not refrain from alluding to it in order that I should understand more clearly how great had been the anxiety of the Spanish Government before they had been reassured by what Lord Curzon had authorised me to tell him as regards our attitude towards the Tangier port scheme.

From the long and confused statement which followed, I gathered that the Spanish Government had come to the conclusion that Great Britain had practically made up her mind to stand aside in all matters in dispute between France and Spain in Morocco, and that Spain could not count on any support from His Majesty's Government in their endeavour to maintain their position in Northern Morocco. The Ambassador was therefore instructed to ascertain confidentially whether, in fact, His Majesty's Government proposed to take no further interest in the Spanish zone and to leave Spain to settle with France as best she could. If that were so, Spain might be driven to come to some arrangement with France by which she would give up something in order to strengthen her hold on the rest.

I said that this seemed to me an exceedingly unfair way of criticising the attitude of His Majesty's Government, who had gone out of their way on more than one occasion to assert their determination to stand by the territorial arrangements in Morocco sanctioned by the treaty. It had always appeared to His Majesty's Government that the maintenance of Spanish influence in Northern Morocco was an interest common to our two countries, and we had never ceased to make this quite plain to the French Government, who certainly were in no doubt as to our attitude in this matter. What was more, I said, I had, in a recent conversation with the French Ambassador which turned upon the French encroachments on Tangier, discussed this very question of the maintenance of Spain on the coast, which Count Saint-Aulaire assured me every French Government fully understood to be our policy and our well-understood interest. I said it was interesting to recall that on that occasion Count Saint-Aulaire had assured me in the most positive terms that, leaving aside the question of Tangier, which was a special one, France not only had no designs whatever upon the Spanish zone, but she regarded it as an altogether desirable arrangement that the zone should be and remain Spanish.

To this Señor Merry del Val replied, with a smile, that these assurances were difficult to reconcile with certain things of which he had personal knowledge. He said that some time ago General Lyautey, with whom Count Saint-Aulaire had been closely associated in Morocco, had put forward feelers in order to ascertain whether Spain would be willing to concede a part of territory to France in the neighbourhood of Melilla, which clearly showed that designs on the Spanish zone were not so far removed from the French mind as Count Saint-Aulaire pretended. The very spot where the French were anxious to obtain a footing was Cabo de Aguas. Though at this spot there was only a very indifferent anchorage, it dominated the important group of the Chaferinas Islands, which Spain had for many years occupied for the sole purpose of preventing a foreign Power from establishing a naval base there. General Lyautey's communication had been accompanied by a hint that, if only Spain would cede this particular territory, France would be found very accommodating in all questions relating to Tangier.

Señor Merry del Val intimated that this was the kind of bargain which it would be open to the Spanish Government to enter into if they felt that they were abandoned

by Great Britain, but, he added, our attitude respecting the port of Tangier, as now explained, had completely reassured the Spanish Government, and, as they were certainly very far from wishing to give up any part of their possessions or rights in Northern Morocco, this question of seeking some arrangement or compromise with France had ceased to be a practical one.

E. A. C.

Foreign Office, August 5, 1921.

[W 8423/790/28] No. 26.

The Marquess Curzon of Kedleston to Lord Hardinge (Paris).

(No. 2144.)

My Lord, *Foreign Office, August* 8, 1921.

WITH reference to my despatch No. 1821 of the 2nd instant, I transmit to your Excellency herewith a memorandum recording a further conversation between Sir E. Crowe and the French Ambassador on the subject of the concession for the construction of harbour works at Tangier.

2. You will agree, after perusal of this memorandum, that the arguments advanced by his Excellency are not of a nature to modify the views which I formed originally on the subject of the concession. Whilst Count de Saint-Aulaire foreshadowed the willingness of his Government to meet the views of His Majesty's Government as regards a redistribution of the shares of the harbour company among the several national groups, his assurances on this point did not take the shape of definite proposals, and in any case did not extend to a reconsideration of the Spanish interests in the company. Still more vague were his Excellency's allusions to the method by which the rights of the future municipality of Tangier should be reserved, whilst no encouragement was held out to hope that other objectionable features of the concession would be satisfactorily dealt with.

3. It is important that this unpromising situation should be clarified, and our objections to the French scheme placed formally before the French Government.

4. I have accordingly had prepared the enclosed memorandum setting forth the views of His Majesty's Government, and I request your Lordship to communicate a copy of it to the Minister for Foreign Affairs.

I am, &c.

CURZON OF KEDLESTON.

Enclosure in No. 26.

Memorandum respecting the Port of Tangier.

THE French Ambassador at the Court of St. James will no doubt have reported to the French Government his two recent conversations at the Foreign Office on the subject of the grant by the Sultan of Morocco to the Société internationale pour le Développement du Port de Tanger of a concession for the construction and exploitation of a harbour at Tangier. Attention having been drawn to some of the principal difficulties which faced His Majesty's Government in agreeing to the grant of the concession, the French Ambassador was good enough to explain the views of the French Government on these particular points. His Majesty's Government are grateful for the explanations given by Count de Saint-Aulaire, which afford gratifying evidence of the readiness of the French Government to meet their views; and they trust that consideration of the present memorandum may lead eventually to a complete reconciliation of the divergencies of opinion which still remain.

2. The first point mentioned by Count de Saint-Aulaire was the allocation of 53 per cent. of the shares in the Société internationale to France and to the Mahkzen, which radically alters the proportionate distribution of shares among various foreign countries agreed upon in 1913, and to that extent affects the international character of the Société. His Majesty's Government learn with much satisfaction that the French Government are ready to reconsider the distribution of shares, but they would be glad to receive more precise and specific proposals on this point.

3. The second point which came under discussion was the arrangement under which the Mahkzen was to have power to expropriate the Société any time after fifteen years, and all the rights and property in the port were to revert after ninety-nine years

to the Mahkzen, to the exclusion in both cases of the future Tangier municipality. Count de Saint-Aulaire suggested that it would be easy to agree upon the terms of an assurance to be given—whether by the French or by the Moorish Government—that when the position of the future local authority in Tangier came to be settled, due regard would be had to its interest in the harbour concession. An assurance of this kind, whilst welcome as evidence of the French Government's friendly intentions, appears to His Majesty's Government too vague to give complete satisfaction, and they hope that stipulations of a more precise character will be proposed.

4. Count de Saint-Aulaire explained in this connection that His Majesty's Government were under a misapprehension in believing that the powers and the shares in the Société assigned to the Mahkzen were equivalent to powers and shares assigned to the French Government. The protectorate, which at the present moment placed the Mahkzen in all matters of foreign relations, and practically in all important matters of internal administration, under the authority of the French representative in Morocco, was an arrangement which, in all probability, would not last long, and His Majesty's Government might rely on such changes arising in the near future as would dispel all fear that French influence would decide all questions of Moorish policy. His Majesty's Government must observe, in reply, that they are bound to consider questions such as the Tangier harbour concession in the light of existing facts and not of future possibilities. As the French Government themselves admit the Mahkzen is at the present moment, to all intents and purposes, tantamount to the French Administration at Rabat, and His Majesty's Government would find it difficult to justify to British public opinion the overwhelmingly preponderant influence which the concession gives to France in one of, if not the most important, public work at Tangier, on the ground that in days to come the Mahkzen may be, to a large extent, independent of foreign tutelage.

5. Count de Saint-Aulaire did not allude to the constitution and powers of the "Commission de Contrôle," which would seem to give the French authorities very wide control over everything appertaining to the construction and exploitation of the port. It must be remembered that by the terms of the concession the Société are the actual contractors for the construction of the harbour, and though contracts for the supply of materials and plant are to be put out to tender, His Majesty's Government cannot conceal their anxiety lest the "Commission de Contrôle" may be found to favour national firms and fail, perhaps, in some cases to act with perfect impartiality.

6. The reasons advanced by the French Government for their omission to submit to the Diplomatic Body at Tangier a draft of the concession before it was definitely granted appear to rest on foundations which may appear, technically, sound. There can be, of course, no question of referring the matter to a body which would include representatives of Germany and Austria, whose rights under the Algeciras Act have been annulled by the Treaty of Versailles. On the other hand, His Majesty's Government remain of opinion that the spirit of the recommendation made by the committee of experts in 1914 would not be observed if the concession was definitely granted without any further consultation with the other Governments interested. They must accordingly press for the examination of the concession, if not by the whole body of foreign representatives at Tangier (except the German and Austrian), at any rate by some body consisting of representatives of the Governments chiefly concerned, which, of course, includes Spain. Their reasons are twofold. In the first place, although they have outlined some of their main objections, there are, doubtless, many minor points in the "cahier des charges" which may need adjustment and reconsideration, and an examination by experts will provide at once the simplest and most expeditious manner of dealing therewith. In the second place, His Majesty's Government are convinced that without the consent of the Spanish Government no satisfactory or permanent solution of questions affecting Tangier will ever be reached. It cannot be denied that the ultimate fate of Tangier is a matter of serious concern to the Spanish Government. In the scheme drawn up in 1914 Spanish participation in the Société internationale was equal to that of His Majesty's Government, while the Spanish Government were, of course, one of the three Powers engaged before the war in negotiating the convention for the internationalisation of Tangier. In these circumstances His Majesty's Government could not defend or justify the exclusion of Spain from discussing a matter affecting Tangier so closely as the harbour concession.

7. His Majesty's Government cannot refrain from taking this opportunity to urge once more the necessity of no longer delaying the establishment of the special régime which the French Government have repeatedly stated they are ready, in accordance with the treaties, to see set up at Tangier. Without wishing at this moment to

reopen the question whether a conference for this purpose should meet in London, Paris or Madrid, His Majesty's Government would earnestly beg the French Government to consider whether it would not be an advantage if they would come forward now with some definite proposals. They feel confident that if, as the French Government have assured them is the case, their intentions in respect to the future government of Tangier are such as to meet all reasonable British and Spanish requirements, it should not really be difficult to arrive at an understanding between the three Governments concerned; but since they have pledged themselves to both the French and the Spanish Governments not to come to a separate understanding with either by which the other would, in a conference, be faced virtually by a *fait accompli*. His Majesty's Government trust that any such French proposals as they are now inviting will be submitted simultaneously to themselves and to the Spanish Government.

Foreign Office, August 8, 1921.

[W 8508/8508/28] No. 27.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received August* 9.)

(No. 456. Very Confidential.)

My Lord, *Zarauz, July* 29, 1921.

UNLESS I am mistaken, M. Berthelot informed your Lordship in 1919 (I am unable to look up the exact reference as the papers are in Madrid) that during the last period of office of Count Romanones, that gentleman had, with the approval of the King of Spain, offered to sell to France all existing rights over the Spanish zone in Morocco. This statement seems now to have been repeated in the columns of the French paper the "Journal," and Count Romanones has consequently sent to the Spanish press a telegram, of which I enclose a translation, categorically denying that he ever made any offer of the kind.

I must admit that, knowing the feelings of the King of Spain on the subject of Morocco, I always felt it most improbable that he should have been privy to such proposal. It seems almost equally unlikely that Count Romanones, who is certainly not wanting in political acumen, would have dared to make it *motu proprio* without the knowledge of the King. It seems more possible that he may have proposed an arrangement of some kind regarding Morocco, the nature of which M. Berthelot may in his turn have somewhat exaggerated in reporting it to your Lordship.

In any case, Count Romanones's flat denial in the French and Spanish papers will give M. Berthelot an opportunity of throwing light on the matter if he cares to seize it.

I have, &c.

ESME HOWARD.

Enclosure in No. 27.

Telegram from Count de Romanones (Paris) to the Madrid Newsapers.

(Translation.)

TO-DAY'S "Journal," in an article about Melilla, says that I proposed to France the cession of our rights in Morocco. This is so completely incorrect and contains so grave an error that I have sent to the said periodical the following correction, begging them to publish it immediately:—

I never suggested the cession of the rights of Spain in Morocco, neither for a milliard nor for 10 milliards nor for anything at all, as it is a question of something of inestimable worth.

I have always preached the need of proceeding, in agreement with France, to solve the problem of Morocco, but separately.

My journey of 1918 had an object utterly opposed to that suggested by the "Journal."

The disaster suffered to-day by Spain is one of many incidents in the war. Spain will rectify the consequences without much effort and will once again dominate her zone completely.

The means and the will to do so are more than sufficient.—Count DE ROMANONES.

[W 8512/184/28] No. 28.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received August* 9.)

(No. 462.)

My Lord, *Zarauz, Guipuzcoa, August* 3, 1921.

I HAVE the honour to forward herewith an exceedingly clear and careful account by Mr. Wingfield of the events which led up to the recent serious Spanish reverse in the neighbourhood of Melilla, and of the present situation in that district, as well as of the impression produced by the news in Spain itself.

It has not been easy, owing to the careful press censorship, the optimistic official communiqués, and the mass of heterogeneous details on the subject which have deluged the papers, to get a clear and succinct view of what actually occurred, but I have no doubt that Mr. Wingfield, by comparing one account with another and carefully cutting out all superfluous matter, has succeeded in producing all the main facts of the story.

It is quite impossible yet to say what sort of ultimate effect this disaster may have on Spanish home politics. So far the country has been on the whole quiet, with the exception of some anti-war demonstrations in Madrid, Barcelona, and Bilbao, and it is unlikely, as Mr. Wingfield points out, that, with Spanish troops still holding out in isolated posts, any serious agitation against the despatch of reinforcements will take place.

It is when the cost of a new expedition to reconquer and hold the lost territory comes to be reckoned up that serious opposition may be expected to manifest itself. Spain is already face to face with a large deficit, and the expenses of a campaign on a grand scale will add very considerably thereto. Further, the Government will presumably have to choose between two alternatives, *i.e.*, abandoning for the time further military expenses in Morocco, or jettisoning the ambitious schemes for development of public works in Spain itself, which the Minister of Public Works, Señor La Cierva, has initiated and declared to be essential for the prosperity of the country. While the military element and the mass of the Conservative Party to which Señor La Cierva himself belongs will probably not hear of any policy of retrenchment in Morocco, which indeed would be fatal at the present time to Spanish ambitions in North Africa, and react very seriously on the position of all European States with possessions and interests in North Africa, owing to the growth of a chauvinistic Pan-Islamic movement there, it seems very doubtful whether the Liberals and Extreme Left will not in the end make good their demands that the needs of the population of Spain should not be forever sacrificed to the will-o'-the-wisp of colonial enterprise, which has been so fatal to Spain in the past, and does not seem to promise great reward in the future. The reverse at Melilla would seem to have brought this question once again to the forefront of Spanish politics. Should the Liberals come into office in the course of the year the principal plank in their platform, one would naturallysuppose, must be retrenchment abroad and development and sound finance at home. Any policy involving retrogression in Morocco is certain, however, to meet with strenuous opposition from the King and the army, and the near future seems therefore pregnant with dangerous possibilities, of which I think that the financial situation is probably the most immediate and sericus cause.

I have, &c.

ESME HOWARD.

Enclosure in No. 28.

Report on Operations in Morocco and State of Public Opinion in Spain.

IN commenting on the loss, through the defection of Moorish troops in Spanish pay, of the post of Mount Abaran and its garrison, reported in Sir E. Howard's despatch No. 362 of the 8th June last, the Madrid newspapers expatiated on the martial reputation of the Riffian tribes, and on the unwillingness of Moorish troops to fight against them, recalling past occasions when Spaniards had lost their lives through trusting in "friendly" Moors in such warfare. This warning, however, does not seem to have been taken very seriously to heart, and, though the operations from Melilla remained temporarily stationary, whilst those against Raisuli from Larache, Ceuta and Tetuan were being pushed forward, there can be little doubt that it was the intention of the military authorities to advance towards Alhucemas as soon as the capture of Raisuli

should have released troops from the western theatre for transfer to Melilla. Everything was calm in the Melilla district, and there appears to have been no suspicion of the storm that was brewing. It is difficult to be certain as to the exact details of the occurrences briefly outlined in my telegrams Nos. 143 and 144 of the 23rd and 24th ultimo, and Sir E. Howard's telegram No. 147 of the 28th ultimo. The censorship has been extremely strict, and has prevented not only the publication of losses, or even news that might create undue alarm, but also of any detailed account, so far as the facts can be gleaned, of the events of the 18th–21st July. The censor has been particularly active, too, in preventing the publication of any appreciation of the state of public feeling with regard to this disaster, and with regard to Spain's policy in Morocco. At the same time, the authorities have supplemented the exiguous information supplied to the press by calming, but not always, very veracious communiqués. It is natural, after a military reverse of this sort, that it should take time for the details to be known with accuracy; but I think it better to prepare without delay an account of the course of events in so far as I have gleaned them from various sources available, premising only that there may be some doubt as to some of the details in my narrative, which may require correction as the result of later information.

Some years ago, a young Moor, named Abd-el-Krim, came to Madrid under the auspices of the Marquis de Lema, and was educated as a civil engineer. He returned to Morocco, and was employed by the Native Office, where he enjoyed the reputation of being friendly to Spain. He is also said to have rendered services as a German agent during the war. Owing however to some disagreement with General Silvestre, he was imprisoned for a time, and on escaping became violently anti-Spanish, devoting his energies to organising the Riffian tribes to resist the Spanish advance. General Silvestre, who was in command at Melilla, was a popular, brave and dashing cavalry officer, with considerable experience of Morocco. He seems however to have been lacking in judgment, over-impetuous, unduly self-confident, and somewhat jealous of General Berenguer, High Commissioner of the Spanish zone.

When questioned about the despatch of fresh troops to Morocco, as reported in my despatch No. 362 of the 8th June, Viscount Eza, the Minister for War, denied that there was any truth in the statement that it was intended to send such reinforcements, and added, if the newspaper reporters can be believed, that he would sooner resign than send them. It was the aim of the Spanish Government to disarm criticisms of their forward policy in Morocco, and to walk in the footsteps of General Lyautey in the French zone, making full use of native contingents and of political action, and employing, when fighting was unavoidable, the minimum of Spanish troops as a stiffening for their native levies. In my despatch No. 441 of the 21st ultimo, I reported the granting by Royal decree of credits amounting to 20,000,000 pesetas for the prosecution of this policy, and the criticisms published in the "Correspondencia de España" of Spain's vast expenditure in seeking to "civilise and Europeanise" Morocco, whilst so much remained to be done if Spain herself was to be "civilised and Europeanised." But it was still hoped that these operations might be carried on at small cost to a successful termination, particularly as those in the western theatre had progressed so far that news was expected daily of the surrender of Raisuli.

Notwithstanding the number of troops operating in this western area, however, some 25,000 men had been retained in the Melilla district, of whom some 15,000 were native levies, and about 10,000 Spanish troops from the peninsula. These numbers appeared amply sufficient for holding the country occupied by successive Spanish advances since 1909, when Sidi Ahmed-el-Hach and the Atalayon had been occupied. They were disposed in a number of fortified posts on a line running from Sidi-Dris to the upper waters of the River Kert, and then turning roughly due east, and running parallel to the frontier of the French zone to a point east of Mar Chica, bigger posts being retained in various encampments behind this line, at convenient points such as Dar Drius, Zeluan and Nador. The troops were well supplied with arms and ammunition, had ample provisions and had plenty of time to strengthen any points exposed to attack. The most advanced of these posts on the western line of the Melilla theatre of operations were Igueriben and Annal, some 75 kilom. from Melilla, being slightly behind the post of Abaran, which had been lost in the circumstances mentioned above. As late as the 17th July all appeared quiet at Melilla; it was not till the following day that General Silvestre was warned of a considerable concentration of Moorish troops under Abd-el-Krim in this neighbourhood. He had but a few troops left in Melilla, but out of these he hurriedly formed a column of some 4,000 to 5,000 men of all arms, and started at once for Igueriben with his headquarters' staff. It was suggested to him that

he should notify General Berenguer at once of the situation, but he refused to do so until he had visited the front lines, since he felt that his presence there would be sufficient to inspire the Moors with terror, and prevent them from proceeding further with the apparently foolhardy design of attacking the Spanish posts after they had received the reinforcements the general was bringing them. On reaching Annal, however, he received the startling news that Igueriben was cut off, and he shortly afterwards found himself also surrounded at Annal. Mutinies amongst the native auxiliaries must have made these positions untenable, for it was found necessary to order the Spanish troops in them to endeavour to cut their way through the surrounding enemy to Dar Drius. It seems clear that the retirement from Annal, at all events, degenerated into a rout at a very early stage, for General Silvestre and his staff insisted on remaining at this post after all other troops had left it, and are said to have committed suicide rather than fall into the hands of the enemy. Such conduct on their part would be inexplicable had any possibility remained of an orderly retirement to new positions in the rear. On the other hand, statements have appeared in the press that General Silvestre fell fighting, and he and his staff may have been overwhelmed when the native troops mutinied at Annal. Whether it was the news of the fall of these two posts, or whether their action was preconcerted, has not been made clear; but all the other Moorish troops in the Melilla district seem to have risen during this and the following days against the Spaniards and to have been assisted, if not in fighting, at least in looting and destruction of property by the Moorish population of this country. The scattered Spanish forces seem to have been broken up for the most part, and to have endeavoured to reach safety through the mountains singly or in small parties. At a few points only sufficient numbers collected together to make an effectual resistance, and these had either to fall back or were apparently later overwhelmed. No pre-arranged scheme for retirement in case of disaster seems to have been known to the local commanding officers, and few, if any, steps seem to have been taken to strengthen the posts behind the first line, to which the fugitives fell back for refuge. Of the 25,000 troops present in this theatre on the 16th July, only about 2,000 Spaniards can have been left in Melilla; 3,000 more have found their way back. Some 5,000 Spanish and 15,000 native troops have therefore disappeared, of whom some are still holding out at various points, are in hiding in the mountains, or have crossed into the French zone. Melilla itself seems to have had no defences prepared, and for forty-eight hours it lay open at the mercy of the enemy, had he only been aware of the fact. Complete confusion seems to have reigned there, and small detachments of troops only were available in case of attack. Owing to the circumstances under which General Silvestre's death took place, it was some time before General Navarro was able to take over command. For a time he endeavoured to hold Dar Drius, some miles in the rear of the scene of the enemy's first attacks. But soon, as the country rose behind him, he was obliged to fall back, and, according to the latest information now available, he is still holding out at Monte Arruit, where he has been communicated with by heliograph, and has received packets of food by aeroplane. Other Spanish troops made their way to Sidi Dris, the northern extremity of the western line, where some of them were rescued by the Spanish gunboat "Laya," though both Spanish naval and military forces suffered many casualties in seeking to embark the whole of the troops who had taken refuge at this point, where a number of men are still surrounded by the enemy. But not only these more distant posts were surrounded; the troops at Zeluan, the military aerodrome, some 25 kilom. from Melilla, and at Nador, some 10 kilom. from that seaport, were also surrounded, and have not yet been relieved; and at Zeluan, during the first alarm, the aeroplanes in camp were hastily destroyed, instead of being flown to Melilla, where they have been much wanted for purposes of reconnaissance. In fact, the first aeroplane to visit the scene of this disaster was one flown from Madrid by Mr. De Haviland, the British airman, who took as passenger Señor Espinoza, the editor of the newspaper the "Liberal."

The quantities of war material captured by the Moors must be considerable, since, as I said above, the troops are supposed to have been well supplied, with a view to an early advance towards Alhucemas. French reports place the loss of guns of all calibres at about 130. The country surrounding Nador and Zeluan and on towards Monte Arruit was rich and full of farms well stocked with agricultural machinery. There was besides a railway service to the mines. All this has been either looted or destroyed, and the opportunity for loot afforded by this rich piece of country may have been an important factor in preventing the prompt advance on Melilla, which from a military point of view the Moors might have been expected to carry out.

The first news of this reverse which was allowed to appear in the press, on the

19th instant, conveyed little information as to its nature or extent, but the vague statements in the newspapers were quickly supplemented by alarming reports which were rapidly passed round by word of mouth, as to some unexplained disaster, as a result of which Melilla itself—incredible as this might appear—was threatened by the Moors. Few troops, if any, could be spared from Ceuta and Tetuan, and it was doubtful how the Spanish people would take the news of this reverse, and of the necessity of sending yet more troops to take part in this campaign in Morocco, which has never been popular in this country. The Government seem to have displayed commendable energy and determination in this crisis. A strict censorship was imposed on the press. General Berenguer was sent to Melilla to report on the situation, with such troops as he could spare from his operations further west, and troops from the peninsula were hurried to Melilla from various parts of Spain, whilst tranquillising announcements were made to the public. It seems evident that the temper of the populace of Madrid and Barcelona was not trusted; for statements were published to the effect that only technical troops would be moved from Madrid, which have not been strictly observed, since the Covadonga regiment has actually been taken from there, whilst from Barcelona neither infantry nor cavalry seems to have been taken. It is said that some 17,000 men in all are being embarked for Melilla, battalions being selected from a great variety of places rather than large numbers from any one spot. It was also announced that the troops were being sent to Melilla, not to take part in active operations against the Moors, but to garrison the town and to produce moral effect on them, leaving the troops already on the spot to do the actual fighting; an announcement that cannot be regarded seriously, in view of the situation as it has since become known to the public. No reservists have been called up, the battalions being sent off only some 600 strong, without special equipment or training. In spite, however, of the special care evidently taken to conciliate the populace of Madrid, a demonstration has taken place there against the despatch of reinforcements. Little information on this subject has been allowed to find its way into the press, but His Majesty's consul has telegraphed that on the night of the 26th July processions and manifestations hostile to the war and the Government took place; that the crowd vociferously shouted, "No more soldiers for Morocco"; that soldiers in uniform took part; and that the demonstration was finally broken up by a charge of the civil guards with drawn swords. As a result three men were wounded and sent to hospital, and six were arrested, of whom five, who were soldiers, were handed over to the military authorities for trial. The Covadonga regiment consequently entrained at the station nearest its barracks, instead of marching through the town to the station from which it would normally have been despatched. In Barcelona there appears to have been no demonstration hitherto, but one occurred in Bilbao in which some persons lost their lives and more were wounded; whilst there is talk there of a general strike for twenty-four hours as a demonstration against the idea of military operations in Morocco. On the whole, however, the despatch of the troops seems to have gone off quietly, if without enthusiasm. The Spanish people seem to realise that, however little they may like these colonial wars, from which they derive so little advantage, the present moment, when numbers of their fellow countrymen are hemmed in in the mountains and the town of Melilla itself might fall, is not the time for holding back.

There have been rumours of resignation on the part of the whole Government, but particularly of Viscount Eza, who is blamed, after the event, for not having sent reinforcements some time ago, and of the Marquis de Lema, who is held responsible for the forward policy in Morocco, which is known to be the policy of the King and of the army, and has even been accused by Count Romanones, as a final shot in the newspaper war reported in my despatch No. 452 of the 24th ultimo, of being responsible for General Silvestre's death, owing to the ill-judged protection afforded by him to Abd-el-Krim. The Cabinet have, however, let it be known that they have no intention of deserting the ship of State during the present storm. When the necessary measures for dealing with the situation have been taken it will remain to be seen whether King Alfonso can find any other politicians prepared to step into the breach and able to carry on the government of the country. The prospect does not appear a very alluring one, and the recent statement of the Marquis of Alhucemas to the effect that the Liberals have once more closed their ranks has, in view no doubt of the fact that he has frequently and untruthfully announced this political concentration before, passed almost completely unnoticed by other politicians and by the press.

In the meantime, the Government has to decide what is to be done next. To attempt to reconquer the lost territory and advance as far as Alhucemas with the raw

troops so recently sent over from Spain would be a very serious undertaking; and, even if successful, extremely costly in time, money and men. The Riff tribes have at all times been redoubtable enemies in their native mountains, and they will be particularly formidable at a moment when they are fresh from so easy and complete a triumph over the Spanish forces. The Spanish Government hope that Raisuli may be forced to surrender shortly in the sanctuary where he is now surrounded by their troops, since such a success would enhance Spanish prestige amongst the Moors, with whom it is now at a very low ebb. On the other hand, it is clear that an effort must be made shortly to relieve the Spanish troops who are beleagured at Nador, Zeluan and Monte Arruit. When that has been done, a decision will have been come to between the two alternatives of remaining on the defensive round Melilla on the lines occupied in 1910, or of making a big effort as suggested above, in which the forces employed will have to be almost entirely Spanish troops from the peninsula, since native levies can no longer be trusted, to impose Spanish authority over the whole of this part of the Spanish zone. It has been suggested that the Cortes should be consulted on the fundamental question, so that the decision arrived at may be a national one; and Señor Allendesalazar has stated to a press correspondent that King Alfonso may wish to consult leading men both in and outside the "Governmental parties" upon the military and economic policy to be followed, asking their views as to whether Spain should now conquer the country up to Alhucemas, or whether she should advance as far as the Kert river and stand there, contenting herself for the rest with political action The "A.B.C.", voicing no doubt the sentiments of the army, the Church and the Court, writes in its number of the 30th instant that the forces sent must be sufficient not only to make Melilla secure, but also to commence the punishment of the tribes near that city which participated in this rising, after a decade of peaceful government. Spain need not seek material reparation for the damage done, but "there is something of higher worth—our national prestige, the prestige personified in the army." The rumours that King Alfonso meant to go himself to Melilla have been contradicted.

One of the most notable features of the operations conducted by the Moors has been the goodness of their leadership, which it is thought can only have been attained by the intervention of Europeans. This aspect of the matter has been repeatedly referred to in the press, and in the first days, when the bad news became public, the inclination was shown to blame the French for having instigated this attack on their neighbours in Morocco. The French Chargé d'Affaires, who was much perturbed by these rumours, drew the attention of the Minister for Foreign Affairs to the fact that the Spanish censor was allowing them to be published, and the French press attaché, who daily circulates a summary of the press to various persons, including some of our diplomatic colleagues, suggested in it that German agents, so active in Morocco during the war, had doubtless continued to intrigue amongst the Moors, and had been the inspirers, if not the directors, of this sudden attack. The French Chargé d'Affaires has pointed out that it is not surprising that the Moors are well supplied with arms and ammunition, since the Spaniards are notoriously incapable of patrolling their coasts efficiently; but it is quite contrary to French interests that this state of affairs should exist, and it gives them no satisfaction to think that the Riffian tribes should have captured large quantities of warlike stores from the Spaniards, since much of this material may conceivably find its way into the French zone for operations there, as the result of the wave of Pan-Islamic feeling in Northern Africa, to which reference was made in my despatch No. 417 of the 5th ultimo.

CHARLES WINGFIELD.

Zarauz, August 1, 1921.

[W 8528/184/28] No. 29.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received August* 9.)

(No. 160.)
(Telegraphic.) D. *Madrid, August* 8, 1921.

FRENCH Chargé d'Affaires, who is no doubt well informed about events in Spanish zone, told Mr. Wingfield that situation there is much graver than we could gather from newspaper reports. Principal positions defending approaches to Melilla are practically surrounded, as convoys going to them are attacked. Refugees from interior and troops disembarked are crowded together at Melilla, which may be bombarded at any moment, as fighting is reported close to the town. It is said that

many cases of ammunition forwarded from Barcelona were found to be empty. After Moorish attack, panic among Spaniards was such that one Spanish post of 500 men near French frontier fled across the frontier without being attacked.

Small reliance can be placed on troops hurried out from Spain, which are not sufficiently trained, and consist of separate battalions, which will require considerable reorganisation before they can be formed into proper military units. Main fighting up to now has been done by troops from Tetuan or Ceuta.

I may add that it is becoming increasingly evident that Moorish war is unpopular in the country, and that it will not be possible for Government to rely on popular support for a prolonged military effort, by which alone the ground lost can be regained.

[W 8611/184/28] No. 30.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received August* 11.)

(No. 318.)

Tangier, July 30, 1921.

My Lord,

WITH reference to my despatch No. 309 of the 26th instant, I have the honour to transmit to your Lordship herewith copy of a despatch from His Majesty's vice-consul at Tetuan reporting further details of the recent reverse suffered by the Spanish arms in the Melilla district.

It is known here that the news of this reverse has reached the hill tribes in the Tetuan–Laraiche sector, but, up to the time of writing, there is no indication as to the effect it has produced amongst them or of how far it is likely to affect their future attitude towards the Spaniards.

It is hoped that Spain will take early and effective measures to restore the situation in the Riff, as a pronounced success in that quarter would have a most steadying influence on the attitude of all the tribes in the occupied portion of the Spanish zone.

I have, &c.

HERBERT E. WHITE.

Enclosure in No. 30.

Vice-Consul Atkinson to Sir H. White.

(No. 142.)

Tetuan, July 28, 1921.

Sir,

WITH reference to my despatch No. 136 of the 25th instant, I have the honour to transmit herewith the following complementary information obtained mainly from reliable Spanish sources :—

It appears that almost all, if not all, of the "regulares" organised in the Melilla region passed over to the enemy as well as the fourteen "mias" of native police. A "mia," though nominally 100 strong, varies from 70 or 80 to as much as 400 men at times. The fate of the column under General Navarro Baron de Casa Davalillos is unknown still. He was at Dar Drius when the disaster to General Silvestre occurred, and shortly afterwards fell back to Batel. This place is shown upon a fanciful map reproduced in the Spanish press with the comprehensible object of calming the public agitation as lying well to the west of the Kert. As a matter of fact, it is marked on the real map just to the south of Tistutin, about 16 kilom. to the east of the river. Gun-fire was heard on Sunday from the direction of Tistutin, so it is probable that General Navarro was still holding out there.

As regards Tafersit, no sure news is to hand, though native reports, which so far have proved exceptionally accurate, incline to affirm its capture. Sidi Dris and Afrant have fallen. I consider the loss of the latter—an important *point d'appui* for creating a diversion in the rear of the tribes—a most unfortunate event from the Spanish point of view. The Spanish gunboat "Laya" sent two boats ashore to take off men from Sidi Dris and Afrant, but they were attacked by the Moors and the two officers and crew killed. It is improbable, therefore, on the whole that many survivors have got away from these positions.

Altogether the Spaniards, comprehensibly perhaps, seem to have been overcome by a blind panic after the initial disaster and to have fled in complete disorder towards

Melilla. After the abandonment of Zeluan the panic appears to have been so great that officers and men, according to letters received here, fought and shot each other to get possession of some motor-lorries which they met on the road to Melilla. The Military Governor of Zeluan, a colonel, is alleged to have been court-martialled and shot by General Berenguer. The civil population of Nador has fled to Melilla and the town is besieged. The "regulares" are stated, on apparently good Spanish authority, to have told their officers that they would hold out for two days, but after that they must be let go. They were told that they could go at once provided they put down their arms first They did so. The gates were then opened and they left the town Heavy fire was immediately afterwards opened on them by the Spanish forces. I may be wrong, but I cannot think that such an act was anything but the worst of bad policy, whatever motives of exasperation the Spaniards may have had. The men, had they chosen, while still under arms, could easily have brought about the fall of the town by revolting. The survivors are not likely to forget the fate of their comrades.

The aerodrome at Zeluan, with eight aeroplanes and stores, was destroyed by the Spaniards to prevent its falling into the hands of the enemy. The mines and railways, needless to say, are in the hands of the Riffians, who appear to have come very close to Melilla, seeing that the advanced Spanish positions are spoken of as being in Beni Sicar and Riff forces are on Mount Gurugu, scene of the disaster of 1909. General Sanjurjo has reoccupied the heights of El Atalayon and Sidi Ahmed Bouayaden, about 3 kilom. north of Nador. I had received information from native sources on Tuesday morning that they were then in the hands of the Riffians, but it appeared to me to be altogether impossible that the advance could have been so rapid or, alternatively, that the news could have come through so soon; and rather than seem to be exaggerating the disaster I refrained from reporting it to you.

It should be remembered that there are French mining interests at Afra in Beni Bou Ifrur and that those mines are now in the hands of the Riffians. I do not wish to seem over-suspicious, but it occurs to me that possibly, unless a reaction rapidly sets in, the French interests might serve as a handle for some sort of intervention for which compensation would have to be paid elsewhere—at Tangier for instance.

From what I hear from native sources I gather that the impetuous rush of Ben Owriagal and their allies has not yet won over the unconditional support of all the surrounding tribes. Beni Ulish-Shek and Beni Bou Yahi are stated to have adopted a neutral attitude, in which they are followed by half M'talsa. Therefore, a vigorous Spanish counter-offensive, preceded by a diplomatic distribution of funds, may do much to change the situation. I have reason to believe that sums of money have already been remitted to Melilla by M. Isaac Toledano, with whom a part of the Spanish zone funds have been regularly deposited for some years.

It is stated that the Spanish Government has decided to send over to Melilla from Spain an army of 60,000 men. About 20,000 have already arrived, and nine regiments are in Algeciras waiting for steamers. General Alvarez de Manzano, who is now in command over Ceuta and Tetuan, has informed the Government that he requires no troops, but it is thought that General Berenguer will order some Spanish troops to be sent here all the same.

The situation in this district is, on the whole, less disquieting outwardly than might be expected. The Spanish triumphal entry into Tazeroots, which was arranged for last Sunday, was, of course, postponed *sine die*. Raisuli is, I believe, still there, but is doing nothing active himself. He has, I hear, sent Ben Hamman to the Riff to bring him a report of what is going on, but I look upon this as more than likely to be a pretext for delay. Apart from his very possible understanding with the Spaniards, his excessive corpulence and consequent apathy militate against his doing anything. His action in supinely allowing his grain stores, alleged to contain 2,000 loads, or 10,000 *mudds* of 30 kilog., to fall without a struggle into the hands of the Spaniards—stores he has held like a miser, while his own men have been practically starving for months—would, in my opinion, form sufficient grounds for a conviction of treachery or criminal negligence by any court-martial.

His household gear and personal effects have been removed to the Khamas.

Small sporadic attacks have taken place on Spanish positions in Beni Aros, Beni Ider and in Beni Hassan, where a Spanish block-house on the borders of Beni Laits is reported to have been captured. There is, indeed, nothing to prevent considerable trouble being caused by the tribes here if they chose to revolt in view of the depleted condition of the Spanish forces on this side, especially at Sheshawan, which is garrisoned by one company only. The Laraiche forces appear to be still intact, but to have abandoned some of their advanced positions. Here the main force

of the Spaniards is concentrated at Soq-el-Arba of Beni Hassan to be ready to deliver a blow rapidly wherever needed.

Reports have come in also that the unoccupied parts of Ghomara have mostly decided to throw in their lot with the Riff. I have no opinion, however, of the Ghomara, who are swayed by every breeze that blows. They are just as likely to offer to submit to the Spaniards to-morrow.

I have, &c.
C. R. B. ATKINSON.

[W 8660/367/41] No. 31.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received August* 12.)

(No. 481.)
My Lord, *Zarauz, August* 10, 1921.

WITH reference to my previous telegrams and despatches respecting the political situation in Spain resulting from the Spanish reverse at Melilla, I have the honour to report that, according to the San Sebastian papers of to-day, there is every probability that Don Antonio Maura, ex-Conservative Prime Minister, will form the new Cabinet, which will probably be a coalition one. It is perhaps yet too early to say definitely whether he will be able to form a Cabinet of this nature, as your Lordship will remember that, after the assassination of Señor Dato, he endeavoured to form a so-called "national" Cabinet on these lines and failed, owing to the opposition of the Datist Party in the Cortes, who formed the largest political unit in the Lower House. With regard to the situation, the "Voz de Guipúzcoa" of to-day publishes a remarkable interview with Count Romanones, who has been called to Madrid from Ostend, where he was spending the summer, to consult with the King about the situation.

Count Romanones states that Señor Maura had already accepted the task of forming a Government, but that he was meeting with great difficulties on account of the lack of patriotism in certain quarters. Great changes had, however, occurred in the political situation in the last twenty-four hours, and Señor Maura would be able to form a Cabinet. Asked if the Conservatives would support him, Count Romanones declared that they would all have to support him, even those who least wished to do so. The interviewer goes on to say that, though the Count would not tell him what were the reasons which had produced this rapid change in the situation, he himself could supply them, and that they were the following:—

The present Government had hoped to save the garrison of Monte Arruit (which, as your Lordship knows, is holding out under General Navarro) by means of negotiations conducted through Abd-el-Kader, who is acting on the side of the Spaniards. Arrangements had been made for the evacuation of Monte Arruit by General Navarro's column, but these had not been carried out by the Moors, and in consequence the situation of the Spanish column was desperate, it being impossible for the Spaniards at Melilla to relieve it by force of arms. Apparently it is supposed that the present Government cannot outlive the fall of Monte Arruit.

Speaking of the Moroccan problem, Count Romanones said that Señor Maura was of opinion that the fortified positions should be defended, but that he was opposed to any plan of invasion.

Asked how he himself looked on the whole problem of Morocco, he replied that there are in it two distinct questions—that is to say, the problem of Morocco before and after the disaster. It was necessary now to consider not only what ought to be done, but what could be done. He agreed with the statement made by the reporter, that the Spaniards had on the spot 20,000 men, but not 20,000 soldiers. "We lack," he continued, "war material sufficient for any efficacious action. This year the war budget amounted to 660,000,000 pesetas; in 1905 only 180,000,000 pesetas were spent. The sacrifice which has been required of the country has not been rewarded by corresponding results. The suppression of special allowances for Morocco was a mistake, as it put those who suffered the privations and fatigues of the campaign on the same footing as those in garrison at Madrid or in Guadalajara. I think, therefore, that any solution by military force is impossible."

"Should we then pursue," said the interviewer, "a special policy (that is to say, buying them off to a peaceful acquiescence in Spanish dominion) with the Moors?" "This," replied Count Romanones, "will cost a great deal of money. Will the people

agree to it? If they do it is possible to carry on a policy of this kind, but I think it would be very difficult."

Q. "Well, then, are we to abandon Morocco?"—*A.* "It would be terribly painful to abandon Morocco, but if the country exacts it—if the country imposes it—we shall have to do so. This, however, would be the greatest national misfortune. We should remain on an inferior plane altogether. It would terminate our position in the international concert."

Q. "When will there be a Government?"—*A.* "Possibly to-morrow or the day after. Señor Maura will come to Madrid. We do not yet know where Cambó (the Catalan regionalist leader) is, but we know that he will support Maura. I believe that in a very short time we shall have solved the crisis."

It is noteworthy that, the interviewer adds, Count Romanones had particularly begged him not to publish what he said; but the interviewer considered that he was bound to do so, as it was the duty of public men to tell the country, in the present crisis, what they thought.

Two things come out clearly from this interview: firstly, that if Señor Maura succeeds we may expect to see a Maura-Romanones-Cambó coalition take the place of the present Government; and secondly, that if Count Romanones expresses the views of his colleagues with regard to the Moroccan situation, the country will be directly consulted in some way or other with regard to the policy which this Government may follow respecting Morocco, and that the question of the abandonment of part, at any rate, of the Spanish zone may be submitted to the popular vote. One or two of the Liberal papers have already, indeed, suggested the idea of a referendum on this question.

I have, &c.
ESME HOWARD.

[W 8649/184/28] No. 32.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received August* 12.)

(No. 164.)
(Telegraphic.) R. *Madrid, August* 11, 1921.

GENERAL NAVARRO'S column at Monte Arruit has surrendered, and he and all officers with him are prisoners. Official communiqué reporting this states that the majority of the soldiers forming column succeeded in escaping before surrender. Hopes are entertained that the general and officers may be ransomed and set at liberty.

To-day's San Sebastian papers state that Allendesalazar will resign to-day, and that Senhor Maura has accepted task of forming new Government. It is, however, uncertain if he will be joined by Count Romanones or any Liberals.

[W 8709/353/28] No. 33.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received August* 15.)

(No. 324.)
My Lord, *Tangier, August* 3, 1921.

WITH reference to your Lordship's telegram No. 42 of the 27th ultimo and to my telegram of to-day's date, I have the honour to transmit herewith copy of a despatch which I have received from His Majesty's vice-consul at Tetuan, in which he furnishes the information required regarding the measurements of the four properties of Sid Er Rzini referred to in your Lordship's telegram.

It will be seen from that despatch that Sid Er Rzini had no knowledge of the measurements adopted by the commission until the plans, transmitted with the copy of the Spanish Ambassador's note of the 7th May, were communicated to His Majesty's vice-consul at Tetuan. If, therefore, no protest were made at the time, the fault would appear to lie solely with the commission, who, in this as in many other matters to which Mr. Atkinson now and on other occasions has had to call attention, have treated native claimants with a disregard which was not indicative of a desire on their part to arrive at a just settlement of their claims.

(Copy to Madrid.)

I have, &c.
HERBERT E. WHITE.

Enclosure in No. 33.

Vice-Consul Atkinson to Sir H. White.

(No. 145.)

Sir, *Tetuan, July* 31, 1921.

WITH reference to your despatch No. 92 of the 29th instant regarding the measurements of certain properties of Sid Abdelqader-er-Rzini, I have the honour to reply as follows :—

1. The measurements of Dar Ben Qarrish are not disputed.

2. The plan of the aviation ground is accepted as far as it goes, but Er Rzini draws attention to the fact that in spite of his representatives having shown to those of the Spanish a wide unmetalled road no attempt has been made to include it in the plan. He insists that it should be, for he is convinced that it will never cease to be used unofficially to the detriment of his crops, whatever guarantee may be given. I thoroughly support him in this opinion. He could not protest against the non-inclusion of this road as he was not shown the Spanish plans until copies were received through the Spanish Ambassador in London.

3. *Aqiba del Merra or Er Rzini Barracks.*—It was impossible for Er Rzini's representative to make a protest at the time, seeing that : (*a*) the commission apparently accepted the boundaries as pointed out by the neighbours, *i.e.*, as substantially as possible those in Er Rzini's plan, considering the metamorphosis undergone by the land since its occupation by the Spaniards (for the proceedings of the commission that day I have the honour to refer you to my despatch No. 117 of the 28th June, where the declarations of the native witnesses are given) ; (*b*) the commission did not submit its plans to Er Rzini's representative for agreement. Had they done so, he would have, of course, repudiated a plan so unfavourable to the interests of Sid Abdelqader. The question is dealt with in the first three pages of the Aqiba del Merra section of my despatch No. 103 of the 9th ultimo.

4. *Aghattas Claim.*—The question of the measurements is also dealt with in the corresponding section of my despatch above referred to. The only approach to submitting its plans to our claimant on the part of the commission was when, the neighbours having given their approximate idea of what the measurements were, the municipal architect showed Sid Abdeselam-er-Rzini, who was acting for his father, a rough plan which he told him was the same as his. The completed plan was never submitted to the claimant for approval, nor was he or his representative asked to sign any document signifying their agreement.

The behaviour of the commission all along was such as to leave the claimant and this vice-consulate completely in the dark with regard to their proceedings, deliberations and conclusions—a line of conduct in direct conflict to that described by the Spanish Ambassador in his note of the 7th April, in which he stated that the intervention of the British vice-consulate would be " effective and extensive, and his knowledge of the proceedings will be at all times complete." I refuted this statement in the last three pages of my despatch No. 95 of the 18th May.

With reference to the last paragraph of your despatch under reply, I have the honour to state that I hope to reach London about the 15th August, provided Mr. Fox-Strangways arrives sufficiently before the 10th August to enable me to take the Peninsular and Oriental Steamship Company's boat leaving Gibraltar on the latter date.

I have, &c.

C. R. B. ATKINSON.

[**W 8710/184/28**] No. 34.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received August* 15.)

(No. 327.)

My Lord, *Tangier, August* 6, 1921.

WITH reference to my despatch No. 318 of the 30th ultimo, I have the honour to report that although up to the present no visible repercussion of recent events in the Riff has been remarked, somewhat ominous rumours are beginning to obtain currency regarding the future in the western portion of the Spanish zone.

It is reported that the Ghomara tribe has risen against the Spaniards and that the Anjera tribe is showing signs of restlessness, though up to the present they have taken no action. A report has also been brought in by a Tangier townsman, who has been in the employ of Raisuli and has only just returned from Tazerout. He stated that Raisuli had received a letter from the Riff tribes in which they threw the whole of the blame for what had happened in Morocco, with the consequent European intervention, on agitators of the stamp of the late Roghi and himself.

They reproached him with the fact that, notwithstanding that they had on more than one occasion furnished him generously with men and arms in reply to his appeals for assistance, he had nothing to show for it, and they called upon him now to decide once and for all whether he would throw in his lot with the confederation of the Riff tribes against the Spaniards. Should he not do this and endeavour to maintain their independence he would receive the same treatment at their hands as would the Spaniards.

On receipt of this letter Raisuli is said to have called a meeting of the heads of the Akhmas tribe in order to confer with them as to their future action. The Akhmas men voted for a junction with the Riffs and recommended Raisuli to do the same, urging him to attack the Spanish outposts without delay. He, however, as usual, procrastinated, saying he must take time to consider. They replied that he wasted too much time in considering and the meeting broke up.

My informant learned from the same source that Raisuli has a well-armed force of about 1,900 men with him.

The Spanish force is close to Tazerout, which is under their guns, and the fact that it has not been bombarded is the subject of much speculation amongst the tribesmen.

A mason who has also recently returned to Tangier from Tazerout has stated that latterly he had been occupied in preparing caves on the Bu Hashem mountain for the occupation of Raisuli, who had already sent his family and valuables there.

It is evident that Raisuli is in a serious predicament, but it is to be expected that hewill find a way out for himself, if for no one else.

A few days ago an appeal signed by the " Islamic Mahommedan Confederation of the Riff" was posted up in the principal mosque here complaining of the treatment they had received at the hands of the Spaniards, and calling upon all believers to come to their aid in fighting them or, if that were impossible, to beg the Sultan Mulai Yusef to furnish them with the necessary munitions. Another similar document was placarded on the outer wall of the Derkawi Zaouia, in which reference was made to the French as well as to the Spaniards. Translations of these two appeals are transmitted herewith.* Serious native opinion here attaches little importance to this propaganda except in so far as it may eventually bring trouble to the town where there are a number of the poorer classes of Riffs. I do not, however, apprehend any danger on this score.

As regards the position in the Melilla district, I have the honour to transmit herewith a copy of the last despatch received from His Majesty's vice-consul at Tetuan. I would remark, however, that no confirmation has been received of the rumoured death of Abdelmalek Mahi-ed-Din.

All the Spanish outlying positions in the Riff have now fallen, the column of General Navarro, which has been holding out in Mount Arruit, having apparently been obliged to capitulate, though there is still no certain confirmation of this. The complete loss of this column would be a severe blow to Spanish prestige, apart from the loss of a trained force which it will be difficult to replace. The Spaniards now only hold the lines defending the town of Melilla and the Tres Forcas peninsula to the north, and I understand that they will not be in a position to take the offensive for another month, as the troops sent from Spain are insufficiently trained and useless for an offensive, the munitions for which, it is said, are also wanting.

(Copy to Gibraltar.)

I have, &c.

HERBERT E. WHITE.

P.S.—*August* 7, 1921.—The latest telegraphic news received here this afternoon states that General Berenguer was in communication with General Navarro's column yesterday morning. The column is, therefore, presumably, still holding out, but its surrender can in any case be only a question of time and may be expected at any moment now.

H. E. W.

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* Not printed.

Enclosure in No. 34.

Vice-Consul Atkinson to Sir H. White.

(No. 144.)

Sir, *Tetuan, July* 30, 1921

WITH reference to my despatch No. 142 of the 28th instant, I have the honour to report that very little fresh news is to hand. General Berenguer, in an interview given at Melilla to the correspondent of "A.B.C." on the night of the 25th instant, spoke of 20,000 men missing, and certain functionaries here have actually put the number at 24,000. I have no doubt, however, that a number of these men will eventually make their way back to Melilla and it is possible that considerable nuclei of the Navarro column are still holding out at Tiztutin and Batel, though no official confirmation is to hand of the reports which are circulating to that effect. An attempt at a rising at Cabo de Agua has been nipped in the bud by the shooting of the native chiefs. For such an attempt to have even been thought of at a place so isolated which has been for years under Spanish domination says little for the popularity or effectiveness of their rule. They seem to be as thoroughly hated in the western zone as they are here, with, no doubt, as good reason, if their behaviour towards the Riffians is similar to that which I have seen in the last four and a half years in this district.

A number of native soldiers have returned to Tetuan. They are stated to be in a nasty frame of mind and to have themselves insisted on coming here, alleging that they do not intend to fight any more till after the Aid el-Kebir in about three weeks' time. A certain amount of artillery has been sent to Melilla from here, but in view of the recrudescence of attacks on positions in the Khmas, Beni Ider, Beni Laits and Beni Aros, this has ceased. It is reported that two other small posts, in Beni Aros and the Khmas respectively, have been captured. I cannot confirm this. I do know, however, for certain that active correspondence is going on with Raisuli and El Kharraz with a special view to purchasing the former's forbearance and I hope soon to hear the result.

Two battalions of Spanish troops from the regiments of Covadonga and Asturias arrived yesterday at Rio Martin from Madrid and will reach Tetuan this afternoon. Their total strength is 1,200 men.

Many arrests of Riffians have been made, the prison being full of them and many more are being detained at Malalien and Rio Martin. It is rather a senseless action, as they are mostly poor labourers, many of whom have their homes here. I understand, however, that threats have been made to bombard Peñon and Alhucemas if this conduct is persisted in. That the Moors are using some of the captured guns at least is admitted in the press, which speaks of artillery fire against the Spanish gunboats at Sidi Dris.

A Moorish felucca, with a number of rifles and rounds of ammunition on board, was captured off Rio Martin last Sunday. I had confirmation of this from the Marqués de Prat who is Acting High Commissioner. He said he thought that the rifles were of German or Dutch origin. I attach no weight to this statement necessarily which may have been made (*a*) because they were really Spanish, or (*b*) because it was hoped that Gibraltar might be implicated and, therefore, thought better to put me off the scent.

In conclusion, I have the honour to inform you that a report has reached me of the death of Abdelmalek Mahi-ed-Din at Meziat during an inter-tribal fight. The Kaid of Meziat, Abdzelam-el-Gadi, is reported to have perished also.

I have, &c.
C. R. B. ATKINSON.

[W 8873/184/28] No. 35.

Sir E Howard to the Marquess Curzon of Kedleston.—(Received August 18.)

(No. 490. Confidential.)

My Lord, *Zarauz, August* 12, 1921.

I HAVE the honour to forward herewith copy of an interesting report drawn up by Lieutenant-Colonel Melvill, D.S.O., assistant military attaché to this Embassy, on the situation in Melilla and the Spanish zone generally. A good deal of it is already known to your Lordship from previous reports sent in, but Colonel Melvill's report dots the "i's." All parties in Spain unquestionably recognise the extreme gravity of the situation which has been created, but unfortunately, owing to divided counsel and probably also to the fear of popular opposition to military operations on a grand scale

on the one hand, and, on the other, to the knowledge that a policy of retrogression in Morocco will be fatal to the prestige of Spain in the world at large, no leading statesman, and still less the Government of Señor Allendesalazar, has ventured to formulate any decided policy as regards Morocco for the future.

That has been left to Señor Allendesalazar's real successors, whoever they may be. I say "real" as, though it was announced yesterday that Señor Maura had accepted the task of forming a new Government, it is very doubtful what support he will have in the Cortes and how long he will remain in office.

Copies of Colonel Melvill's report have already been sent to the War Office and the military attaché at Paris.

I have, &c.
ESME HOWARD.

Enclosure in No. 35.

Report on the Disaster at Melilla.

THERE are two independent fields of operation, the Ceuta-Larache sector and the Melilla sector. Operations in Morocco are under the charge of the State Department, which determines their scope, direction, &c. The Ministry of War (which includes the Central General Staff) is limited to providing supplies, reinforcements, &c. Two years ago a Military Commission went to England to buy trench mortars, wireless apparatus, water-tanks, tents and sundry sanitary appliances for Morocco. Some time after their return to Spain, Eza, who had been appointed Secretary of State for War, quashed the contract and would not buy a single thing. This is all now coming to light, and will hasten Eza's resignation. The deal was for some 9,000,000 pesetas at 19 pesetas to the £; the army is crying for these necessities now, which will have to be bought, and if they go to England it will be at the rate of 28 pesetas to the £.

Eza has undoubtedly much to answer for, but it would appear to be the system—by which a civilian could, in the face of a recommendation by military experts for absolutely essential articles of war, forbid the purchase of the same—which is really at fault.

2. The High Commissioner in Morocco, General Berenguer, nominally commands all forces and directs all troops. Actually the State Department made General Silvestre commander of the Melilla sector, independent of General Berenguer, who had power only to inspect General Silvestre's operations and to recommend measures to General Silvestre and to the State Department. This unfortunate situation is one of the main causes of the disaster. It is believed to be due to the desire of the State Department, and probably the Palace, to avoid creating a single military hero in General Berenguer, a possible Espartero, Prim or O'Donnel. General Berenguer and General Silvestre were both of the same promotion, and both were popular in the army. General Berenguer was fond of General Silvestre and always used him. General Silvestre, however, was jealous of Berenguer. Apparently he was encouraged in this attitude by the Government.

3. When the active Spanish operations started in 1919 the Spaniards were confined to little more than the country conquered in 1909–11, including little more than the position of Melilla itself. The garrison of the Melilla sector consisted of 24,000 men, about 6,000 natives and 18,000 Europeans, with about 75 guns (32 horsed, modern—remainder, old pattern Krupp '78). Operations were undertaken in this sector to relieve the pressure on the route Fez–Taza in French Morocco. Otherwise operations could have waited until the Ceuta-Larache peninsula was cleared. The latter, owing to the necessity for suppressing Raisuli and removing the danger of attacks on Tangier and the Fez–Tangier Railway, is the more important. The country was rapidly cleared as far east as the Muluya. Tafersit, to the west, was occupied in August 1920. These extensions, fanwise from the original position, spread the native troops over a relatively large area. The mias of native police organised were all contact mias, and the entire country was armed.

4. Up to this time the successive advances took place through territory accustomed to government ("makhzen"). The advance to Tafersit brought General Silvestre up against the strong and warlike tribes of the Rif, which have never been conquered or paid tribute ("siba"). At this point General Berenguer is reliably reported to have recommended a halt and a consolidation of the occupied Melilla sector. Further extension spread the occupied front. No more troops were available, and it

was desired to consolidate the Larache and Tetuan advances, opening the road Tetuan–Xexauen, which would greatly shorten the front in this sector, finally crush Raisuli and release troops for other operations.

5. General Silvestre, however, decided on making further advances with a view to reaching the Bay of Alhucemas this year. It is said that he was pushed to this by jealousy of General Berenguer. He must have been supported in disregarding General Berenguer's recommendations by the Ministry of State and, generally speaking, by the Council of Ministers. Advances were to be desired for political reasons, national and international.

6. Accordingly a landing was made at Sidi Dris and positions occupied at Monte Abaran, Annual, Dar-ar-Buiyan, &c. Sidi Dris was a difficult landing, and the base for these operations was Annual, which was supplied from railhead at Monte Arruit. The insecurity of this position was apparently felt, but nevertheless General Silvestre continued. Advances which are relatively easy were sharply contested. The newly-established positions were kept under steady fire, and supply was very difficult. The enemy came forth increasingly strong and active, and disaffection appeared among the native troops and police.

7. In early June the position of Monte Abarán was taken by the Moors with four guns and several machine guns. A heavy casualty list of Spaniards was the result. Two mias, one of police and the other of "regulares," went over to the enemy at the beginning of the attack. It was evident that the situation was very serious. The Moors were very numerous and apparently well directed. The direction is said to have been given by a Moor, Abd-el-Krim, who is supported by the strong clan Beni-Uariagel. General Silvestre asked for reinforcements from General Berenguer, whose forces were all compromised, and from the Ministry of War. An infantry division (four regiments) was asked for. These reinforcements were refused him. Early in July the position of Ygueriben (Iguerriben) was occupied, and it was immediately heavily attacked Colonel Pacheco, commanding at Annual, protested against it and advised retirement and concentration. He was, however, relieved and sent to Melilla under arrest. Colonel Manuella replaced him. On the 16th July the convoy returning from Iguerriben was so strongly attacked it was unable to get through. It returned to Iguerriben, losing all its animals.

8. On the 19th July an attempt was made to evacuate Iguerriben. The guns in the position were rendered useless. The retreating force was destroyed, apparently only stragglers getting back to Annual. On the same day a position to cover the Izummar–Annual road was established by the Spaniards. On the 20th July General Silvestre arrived at Annual, and after a conference sent General Navarro, second in command of the Melilla sector, back to Melilla. On the 21st Annual was very heavily attacked and supply became impossible. A council of war, called by General Silvestre, decided to evacuate Annual, retiring in the direction of Monte Arruit. The native troops deserted when the column was set in motion and joined the Moors, who attacked in large numbers. General Silvestre is reported to have been wounded early in action and to have shot himself to escape capture. Colonel Morales, who took command, was killed, and the column seems to have been destroyed, losing some thirty-five guns and much material and munitions. About 100 prisoners are reported to have been taken by the Moors and are being held for ransom. General Navarro, on the news of this disaster, immediately left Melilla to get what men he could together. The whole country recently occupied rose and overwhelmed the Spanish garrisons and mobile columns. A column of 1,000 Spanish troops, with a strong native contingent, was overwhelmed in retreat at Dar-el-Quebdani, under the command of Colonel Areujo. About 12 officers and 100 men are prisoners. A few stragglers came in, and the rest were killed, losing all material, &c. (apparently 400 to 500 men instead of 4,000 reported in my last). The remains of another column reached the French Morocco after being cut off from Melilla. The position of Sidi Dris was stormed by the Moors under the guns of the Spanish gunboats. A few stragglers only got away. A smaller post near by was evacuated with heavy loss. The detachment at Zeluan, the "Guardia civil" and some stragglers at Nador and General Navarro with what he could save, held out against the attacks. There is reported to be about 400 men at Zeluan, 200 at Nador, and Navarro is said to have about 600 men. Melilla was defenceless, and for several days was at the mercy of the tribesmen. An excess of caution and the large booty obtained by the Moors saved Melilla.

9. General Berenguer at once embarked his reserves. The two battalions of the "regulares" of Ceuta (natives) and the two battalions of the foreign legion were immediately rushed to Melilla and protected it against attack. With the exception of

the troops above mentioned, the Spanish troops are dead or missing—probably dead. All guns, ammunitions, material and supplies have been lost. Most railway material has been lost. Even allowing for much less than the paper strength of organisations, the Spaniards have not lost less than 8,000, and probably well over 10,000, killed and from 60 to 100 guns.

10. *Relief Measures.*—Troops were at once rushed from the peninsula, and General Berenguer has been able to occupy a line from Atalayon to Zoco el-Tzelatza and Sidi Aisa. This line is in close contact with the enemy's harca, and constant firing is reported. Zeluan and Nador, which were holding out, have fallen; in the former, apparently the whole garrison were shot, in the latter, on the condition that they gave up their arms and paid so much per man, they were permitted to return to Melilla.

General Navarro continued to resist at Monte Arruit, but the end must be near, and, as far as one can judge, no attempt has been made to relieve him.

Spanish troops have occupied La Restinga.

11. The headquarters of the enemy's harca is said to be at Annual. Abd-el-Krim is said to be organising mias and to be paying his soldiers. He has succeeded in using captured cannon effectively against General Navarro. He apparently has sufficient control to make conventions and make the tribesmen respect them. There is as yet no slackening in the Moorish effort.

12. General Berenguer's future action cannot be prophesied. He has in front of him the strong position of Massif of Gurugu, where the Spaniards suffered the bloody defeat of the Barranco de Toledo in 1909. He must organise, condition and equip in its last details an expeditionary force in Melilla. Opinion appears divided as to whether the Moors will attack Melilla or not; in any case every day's delay gives the defenders more time to complete their defences, which should obviously have been done years ago. General Silvestre's place has been taken by General Cavalcanti, who is a Palace favourite. It is not known whether he will have the same independence of action that proved fatal to General Silvestre.

13. Extracts from a young cavalry officer's letter from Melilla which was read to me yesterday: "The chaos is terrible. The troops are eager to avenge their comrades, but we are like sheep without a shepherd; no one seems to know what to do. The Moors are within 2 or 3 kilom. of us entrenching, it is believed by some people, under German supervision. Abd-el-Krim has sent a message saying he will take coffee in Melilla on the 8th August."

14. In business circles it is said that Raisuli has approached the Spanish Government with a scheme for the pacification and future welfare of the zone. It appears that the two rival factions in this country, viz., the militarists and pacificists, have each very strong backing, and the Government consequently finds itself in the position of being quite unable to decide which line of action to adopt. In fact, as far as can be ascertained, there is at this moment no policy and no definite plan of campaign.

T. MELVILL, *Lieutenant-Colonel,*
Military Attaché.

Madrid, August 9, 1921.

[W 9038/353/28] No. 36.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received August* 23.)

(No. 335.)

My Lord, *Tangier, August* 13, 1921.

WITH reference to your Lordship's telegram of the 29th ultimo, I have the honour to transmit to your Lordship herewith a copy of a despatch from His Majesty's vice-consul at Tetuan reporting the minimum amount Sid Abdelkader-er-Rzini is prepared to accept in full satisfaction of the four claims examined by the Spanish Special Commission.

So far as I am able to judge after full discussion of the claims with Mr. Atkinson, and taking into consideration the prices realised at actual sales of neighbouring properties, the original amounts claimed, though not exaggerated, may be considered as the full value of the properties concerned, and in the proposals now made by him Sid-er-Rzini has gone to the utmost limit of concession.

I trust the Spanish Government will be prepared to settle these claims at once on the basis now proposed, but should they not be disposed to do so the only alternatives

would be (1) to insist on expropriation under the Algeciras Act, when present values will presumably be taken as a basis for compensation, or (2) the appointment of a joint commission to settle all British claims.

It would be advantageous if the Spanish Government were given to understand that the moderate proposals now put forward by Sid-er-Rzini solely in order to arrive at an amicable settlement without further delay must not be allowed to prejudice his claim to full compensation should it prove necessary to have recourse to either of the two above-mentioned solutions.

I understand that from former affluence Sid-er-Rzini has, in consequence of events arising out of the Spanish occupation, been reduced to a position of comparative poverty and is in urgent need of obtaining prompt payment of the compensation due to him. It is largely on this account that he is willing to settle the claims for the amount indicated by Mr. Atkinson.

I have, &c.
HERBERT E. WHITE.

Enclosure 1 in No. 36.

Vice-Consul Atkinson to Sir H. White.

(No. 149.) *Tetuan, August 7, 1921.*

Sir,

CLAIMS unsettled in Spanish zone: Er Rzini Special Commission.

With reference to your despatch No. 93 of the 30th ultimo, in which you requested me to obtain of Sid Abdelkader-er-Rzini the minimum figure which he would be willing to accept in settlement of his four claims, at present being examined by a Special Spanish Commission, I have the honour to reply as follows in regard to each *seriatim*:—

1. *Berka-ben-Qarrish.*—The claimant demands that he be compensated in respect of 118 square metres illegally occupied since 1913 at the rate of 80 Spanish pesetas per metre, and that he be paid a rent at the rate of 250 Spanish pesetas per annum. On the arrears of this rent he claims interest at the rate of 7 per cent. Thus—

	Spanish Pesetas.
118 square metres at 80 pesetas	9,440
Rent at 250 pesetas per annum, *i.e.*, 8 years ...	2,000
Interest on unpaid rent at 7 per cent. ...	630
	12,070

He bases his claim to this figure, which has been paid for land in close proximity to his, on, first of all, that fact itself and, secondly, that anyone wishing to build in a legal manner on the area in which his land is situated would have to conform to the municipal plan and, consequently, have to buy him out at whatever figure he chose to name. For the question of values of land in the vicinity of this plot, I have the honour to refer you to my despatch No. 103 of the 9th June, Dar-ben-Qarrish section.

The rent he claims of 250 pesetas per annum is equivalent to 2·65 per cent. on the capital claim, whereas 5 or 6 per cent. would be but reasonable. It must be remembered that he put in a claim in 1914 to have a rent fixed for this property and the others, with the exception of Aghattas, which was leased for two years. His right to a rent and interest on arrears is unassailable. As regards interest, money cannot be borrowed here at such a low figure. Current interest on advances, for instance, fluctuates between 7½ and 8 per cent., apart from a banker's commission of ⅛ to ¼ per cent. This information was given me in writing by Messrs. Salvador Hassan's local branch, and the manager of the State Bank, who was unwilling to commit himself in writing, gave me similar information by word of mouth. This interest is that charged to merchants generally on short loans in the course of their business. In the case of loans at longer terms, I believe that much higher interest is commonly charged.

In calculating the interest due to him on this claim, Sid Abdelkader arrives at the total by charging 7 per cent. on 250 pesetas at the end of the first year, on 500 pesetas at the end of the second and so on, no rent, of course, having been paid him so far.

Strictly speaking, he could, I suppose, claim for interest on the arrears of interest, and the Spaniards should be grateful that he has not done so.

He considers that he is fully entitled to the whole capital sum claimed with rent and interest. I agree with him. However, as a last resort, but only as a last resort, he is willing to accept 45 pesetas per square metre, rent and interest to stand as before, the former thus becoming equivalent to rather under 5 per cent.

Thus his claim would be:—

	Spanish Pesetas.
118 square metres at 45 Spanish pesetas ...	5,310
Rent	2,000
Interest	630
	7,940

According to the lists which I have sent showing prices of sales of land in the Ensanche, enclosed in my despatches No 45 of the 21st March, 1920, No. 91 of the 12th May, 1921, and No. 103 of the 9th June, 1921, the average sale price of land in the Ensanche since 1914 is an insignificant fraction under 45 pesetas per square metre (44·932, to be accurate).

The Berka-ben-Qarrish is situated on what the Spanish Commission itself describes as the main artery of the Ensanche ("su principal arteria"), and it therefore appears to me most reasonable and conciliatory on the part of our claimant to agree, as a last resort, to accept an average price as its value. It should be remembered always that no declaration of public utility has been made and that, therefore, no argument based on values as alleged by the Spaniards to have been in 1913 is admissible. Values are fixed by the declaration of public utility and this cannot be made retroactively. Nor has the behaviour of the Spanish authorities been such as to justify any concession in that sense which must be prejudicial to the interests of our claimants, who, it should be remembered, have been practically reduced to bankruptcy by the Spanish occupation of this zone.

2. *Aviation Ground.*—Original claim:—

	Spanish Pesetas.
About 60,000 square metres at 1·25 Spanish pesetas ...	75,000
Rent 1,000 Spanish pesetas per annum	8,000
Interest on arrears of rent at 7 per cent.	2,520
	85,520

The question of the exact measurements of this area is still undecided, and I have the honour to refer you for any details concerning the matter to my despatches No. 103 of the 9th June and No. 145 of the 31st July.

The Spanish Commission offered to pay 60 centimos per metre in respect of some 12,000 odd metres of the higher-lying parts of this land and 15 centimos in respect of the rest. Alternatively, the offer was made to exchange the area metre for metre against Makhzen land.

In taxing the lower-lying area the commission displayed its ignorance of the ABC of proportional land values. Land situated sufficiently close to a town and, by reason of its humidity, always or nearly always, carrying an abundant crop of green fodder is in this district of infinitely greater value than land not similarly favoured. Water-meadows and even marshes, but the former especially, are eagerly sought after here. I have the honour to refer you to my despatch No. 117 of the 28th ultimo in which a translation of a declaration regarding the high value of water-meadows, made by well-known experts, was enclosed. I also have the honour to draw your attention to the remarks made in my despatch No. 103 of the 9th June on the same subject.

The price of 1·25 pesetas per metre asked for originally by Sid Abdelkader-er-Rzini is accounted for by the fact of the prices at which the Spanish Administration has expropriated land much farther away from Tetuan than the aviation ground, which is only about 2½ kilom. from the town. The Administration, of course, expropriated under its own règlement, which is much less favourable to landowners than that founded on the Act of Algeciras. In my despatch No. 103 of the 9th June I drew attention, for instance, to the case of Señor González, whose land at Malalien, 8 kilom. from Tetuan, was expropriated in 1907 for the Ceuta-Tetuan Railway at 50 centimos per metre. The land in question, unlike Sid Abdelkader's, was covered with palmetto.

The presence of palmetto in agricultural land affects its value in inverse ratio to the proportion covered by it. It appeared, therefore, to Er Rzini that if such land in such a situation were really worth 50 centimos per metre—and it was not to be thought that the Spanish Administration would be anything but of a Rhadamanthine equity in dealing with a compatriot and a functionary to boot—he could not go far wrong in claiming two and a half times that value for land of an obviously higher intrinsic worth apart from its privileged situation.

As a matter of fact Sid Abdelkader agrees that the price is high, though, basing his claim on logic and the prices paid by the Spaniards to their own people, his case is a very strong one.

He is willing to accept a price of 60 Spanish centimos per metre for all the land expropriated, rent and interest to remain as before, *i.e.* :—

	Spanish Pesetas.
60,000 square metres (approximate) at 60 centimos ...	36,000
Rent and interest	10,520
	46,520

He does not reject the principle of an exchange metre for metre, provided the land be of similar quality. If it is of inferior quality he must have a reasonable additional area. In the making of the exchange he must be properly represented by his own agents and by His Britannic Majesty's vice-consul, who must be satisfied that the transaction is really that which it purports to be, experience having lately shown once more that no credence is to be attached to Spanish statements of "agreements" between themselves and British claimants.

The claim for rent and interest on arrears thereof must stand.

I think that the claimant's position is sound and reasonable because—

(1.) The Spaniards cannot justify their expropriation of their own people at the rates paid without thereby admitting that land, in every way superior, is of higher worth.

(2.) They have offered to pay 60 centimos per metre for part of the land which is, in the eyes of any agricultural expert, obviously inferior to the rest. It would, therefore, be but logical for our claimant to demand a higher price, instead of which he is willing to accept the same or even an exchange, provided it be a fair one.

(3.) He has been effectively deprived of the use of the land for the last eight years, wholly, as regards a considerable proportion, and partly, as regards the rest, while he has been subjected to grave loss and inconvenience through military manœuvres and drilling taking place over the whole of his property, trespassing and pasturing of cattle, pigs, mules and horses thereon and other nuisances—acts to which I have referred on various occasions in the past. His claim for rent seems to me, therefore, to be fully justified. It is under 3 per cent. on the reduced capital sum claimed. As regards interest, therefore, if any serious objection is raised on principle by the Spaniards, and we consider such objection worthy of consideration, we could retort by adding it to the rent. The result would be merely to increase the rent to slightly over 3½ per cent. on the capital sum, which is most moderate. The same argument can be used in regard to all our claims.

3. *Er Rzini Barracks.*—Claim as originally put forward :—

	Spanish Pesetas.
20,500 square metres, at 50 Spanish pesetas	1,075,000
Rent, 12,000 Spanish pesetas per annum for eight years	96,000
Interest at 7 per cent. on arrears of rent	30,240
	1,201,240

The average selling price of land in the Ensanche, as stated above, being 45 Spanish pesetas, it does not appear excessive, on the face of it, to claim at the rate of 5 pesetas more.

Two points must, however, be borne in mind in considering the minimum price which the claimant will accept for this site :—

(1.) That an undoubted increment has been given to it by the determination on the part of the Spaniards to fix the site of the new town on the area of which it forms part. Consideration is, therefore, due to a certain extent to the Spaniards, in spite of their illegal, high-handed and protracted occupation of this property in the face of the protests of its owner.

(2.) By establishing "campamento general," an ugly and insanitary congeries of huts on the western half of the Ensanche or New Quarter, the military authorities have paralysed all building activity in that area, and this action undoubtedly has affected land values most adversely in the half in question. Had they contented themselves with building the barracks only, as foreshadowed in the municipal plan of the new town, Er Rzini could have afforded to sell them the barracks area at a low figure, had he so chosen, and have been sure of reaping a very handsome compensatory profit on the remainder. As it is, whatever is not expropriated now will, I am convinced, continue to lie idle on his hands for very many years to come. This point must be kept constantly in view in the favour of our protégé.

In spite of the paralysing effect exercised by the "campamento general," land has been sold in areas actually bordering on and partly within the limits of the camp at prices per metre many times higher than those offered to Sid Abdelkader by the Special Commission. I refer to the purchasing of a site by Señor José M. Escriña on the 26th June, 1917, in Block 26, to the east and north of which isolated hutments still stand, at 25 Spanish pesetas minimum, which was raised to 32·50 Spanish pesetas, per metre, according to the terms of his contract with the vendors, the Oliva Building Society, who built the houses now on that site. The conditions were: the quicker the building was finished, the more the owner should pay, up to 35 pesetas per metre. I reported on this in my despatch No. 71 of the 14th April.

The second purchase is one completed by the Spanish authorities on the 23rd May this year, just about the time that His Catholic Majesty's Government was informing us that an offer of 6·048 pesetas per metre to Sid Abdelkader-er-Rzini was most generous treatment. An area of 3,100 metres was purchased in Block 28 at the price of 25 Spanish pesetas per metre. The Oliva Building Society, from motives of policy readily understandable by persons having experience of Spanish Administrations, chose to present the Government with some 900 metres gratis, which reduces the real price per metre paid to between 19 and 20 pesetas. The area purchased, which figures as such in the company's books, was paid at the rate of 25, and considering that 25 was the basic price paid by M. Escriña in 1917, it is only fair to assume that the company's manager is speaking the truth when he states that motives of policy alone dictated the cession of the 900 metres gratis. However, taking the average between the actual price finally paid by M. Escriña of 32·50 Spanish pesetas and the 19·38 Spanish pesetas paid by the Spanish authorities on the whole area bought by or given to them, we obtain a result of 25·94 pesetas per metre.

Er Rzini expresses his willingness, as a last resort, but only in that case, to accept 15 pesetas per metre for the area to be expropriated, and will reduce the rent and interest claimed by 50 per cent. also. He claimed at first total expropriation, but that claim will be difficult to uphold in strict accordance with the Act of Algeciras.

Taking the map of the Ensanche, enclosed in my despatch No. 103 of the 9th June, and the corresponding photographs, it will be seen that Blocks 4 and 5, the first of which is wholly, and the second partly, on his land, are covered with huts. This area—about 4,031 metres—must be expropriated. The huts are obviously of a permanent description, and, even if they were removed, the space, surrounded as it is by other huts, would be quite unsaleable. Block No. 1 has one large masonry hut on it, and it is impossible for Er Rzini, who would be obliged to conform to the municipal plan, to develop the site by building until that hut is removed. The area is also crossed by a cobbled path, shown in the large scale plan enclosed in my despatch above referred to, which is used by the military. Er Rzini feels he would, therefore, be justified in claiming that this area be purchased from him also. Being unwilling to appear unreasonable, however, he is willing to forgo its expropriation, though so long as the camp remains in its present situation he cannot hope to sell it, but he claims that, as from the settlement of this claim, he receive a yearly rental of 1,000 Spanish pesetas per annum for Block No. 1 for so long a time as it shall be cumbered with the building and path referred to.

The claim will thus be :—

	Spanish Pesetas.
Er Rzini barracks—	
8,500 square metres (approximate) at 15 Spanish pesetas	127,500
Blocks 4 and 5, about 4,031 square metres, at 15 Spanish pesetas	60,463
Rent and interest reduced by 50 per cent.	63,120
	251,083

I have the honour to draw your attention to the general observations made by me in my despatch No. 103 of the 9th June regarding the expropriation of the Oliva Building Society two years ago.

It must also be borne in mind that there can be no question of adopting the plan of this ground as put forward by the Special Commission.

4. *Aghattas-el-Kebir, Es Segheer and Jenan-el-Hammam.*—Original claim:—

	Spanish Pesetas.
12,571 square metres (approximate) at 80 Spanish pesetas	1,005,680
Rent of garden, 1,000 Spanish pesetas, for eight years ...	8,000
Interest	2,520
Rent of Aghattas-el-Kebir and Es Segheer for six years, at 480 Spanish dollars, less 200 Hassani dollars paid under lease expired in 1915 = 290 Spanish dollars per annum, or in six years	8,700
Interest at 7 per cent.	2,200
	1,027,100

To effect a settlement Er Rzini will in the last resort accept half the purchase price per metre demanded, *i.e.*, 40 Spanish pesetas per metre, rent, &c., to remain as before.

It must be borne in mind here also that there is a divergency of opinion as regards the measurements of Er Rzini's land.

I cannot think of better arguments in favour of the reasonableness of the claimant's minimum demands than those already set forth by me in my despatch No. 103 of the 9th June. I do not pretend to be an expert myself, and I can only go upon my own judgment, which is of course fallible. Personally, I think the site is worth more. 40 pesetas per metre is by no means, I opine, a high figure to pay for an urban site. The very fact of the Spaniards offering to pay 10 Spanish pesetas per metre—nearly twice the sum offered in the case of the Er Rzini barracks—is an admission of the real value. The rent and interest are insignificantly low.

The claim will therefore be as follows:—

	Spanish Pesetas
Aghattas, &c., 12,571 square metres (approximate) at 40 Spanish pesetas	502,840
Rent and interest on arrears of rent	21,420
	524,260

As a final result of these reductions it will be seen that Er Rzini is willing, as a last resort, to accept 829,803 Spanish pesetas instead of the 2,325,930 Spanish pesetas demanded.

I have the honour to transmit herewith two statements showing the details of the original claim and the composition of the minimum sum which Sid Abdelkader will accept.

I trust that, as soon as these four claims are settled, steps will be taken actively to press the Spanish Government with a view to obtaining a just solution of our other claims, commission and non-commission.

I have, &c.
C. R. B. ATKINSON.

Enclosure 2 in No. 36.

Er Rzini.—Original Claim.

	Spanish Pesetas.
1. Berka-ben-Qarrish—	
118 square metres, at 80 Spanish pesetas ...	9,440
Rent, at 250 Spanish pesetas per annum, 1913–1920 (eight years)	2,000
Interest, at 7 per cent.	630
	12,070

	Spanish Pesetas.
2. Aviation ground—	
60,000 (approximate) square metres, at 1·25 Spanish pesetas	75,000
Rent, at 1,000 Spanish pesetas per annum ...	8,000
Interest, at 7 per cent., on rent	2,520
	85,520
3. Ras Aqiba-del-Merra (Er Rzini barracks)—	
20,500 square metres, at 50 Spanish pesetas ...	1,075,000
Rent, at 12,000 Spanish pesetas per annum, for eight years	96,000
Interest, at 7 per cent., for eight years	30,240
	1,201,240
4. Aghattas-el-Kebir, Es Segheer and Jenan-del-Hammam—	
12,571 square metres, at 80 Spanish pesetas ...	1,005,680
Rent of garden, 1,000 Spanish pesetas, for eight years	8,000
Interest	2,520
Rent of the two fields for six years, at 480 Spanish dollars, less 200 Hassani dollars paid under lease expired in 1915: 290 dollars per annum: 1,740 dollars in six years, or	8,700
Interest at 7 per cent.	2,200
	1,027,100
Total	2,325,930

Er Rzini.—Minimum Sum Acceptable.

			Spanish Pesetas.
1. Berka-ben-Qarrish, 118 square metres, at 45 Spanish pesetas	5,310		
Rent and interest	2,630		
			7,940
2. Aviation ground, *circa* 60,000 square metres, at 60 centimos	36,000		
Rent and interest	10,520		
			46,520
3. Aghattas, &c.—			
Purchase price	502,840		
Rent and interest	21,420		
			524,260
4. Er Rzini barracks—			
Inside barracks, sq. met.,	8,500		
Covered by huts, „	4,031		
	12,531 at 15 S.p.	187,963	
Rent, &c. (reduced by 50 per cent.) ...		63,120	
			251,083
Total			829,803

Note.—Er Rzini barracks: plots 4 and 5 (see plan*), are built over with huts designated as "temporary"; plot 1, partly (see photographs*).

Aviation ground: Er Rzini is willing to exchange his land for Makhzen land of equal quality. Claim for rent must stand, at any rate.

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* Not reproduced.

[W 9545/9545/28] No. 37.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received September* 5.)

(No. 345.)

My Lord, *Tangier, August* 20, 1921.

IN my despatch No. 38 of the 15th August, 1918, I had the honour to report that there was a deficit in the budget of the Spartel Lighthouse Commission owing partly to the non-payment by Germany and Austria of their shares towards the cost of maintenance of the light, and that, in consequence, it had been decided to request the contributing Powers to pay off the deficit and in future to pay their contributions in Spanish pesetas instead of in francs. To this all the Governments concerned agreed.

Since that time the position has remained the same as regards the contributions of Germany and Austria-Hungary; and now the Sultan's delegate, Sid Tazi, has addressed to the president of the International Commission a letter, translation of which I beg to transmit herewith, stating that the Makhzen has assumed responsibility for the arrears due from those Powers, and will in future pay the contributions which they had undertaken to pay under the treaty of the 31st May, 1865, and the declaration of the 4th March, 1878.

The Sultan's representative will now become a member of the International Commission of Management of the Lighthouse, on which the French will thus have an extra vote, and it may, I think, be assumed that the object in view in taking this step was, in some measure, political. Under the terms of article 2 of the 1865 convention the Makhzen should, in any case, now pay its share of the cost of upkeep of the lighthouse, as a Moorish mercantile marine may be said to exist, although as yet on a very small scale. The dahir of the 7th March, 1917, a copy of which was transmitted in my despatch No. 27, Commercial, of the 30th March of that year, instituted and regulated that service.

I have, &c.
HERBERT E. WHITE.

Enclosure in No. 37.

Sid Tazi to the President of the Cape Spartel Lighthouse Commission.

(Traduction.)

J'AI l'honneur de vous faire connaître que le Makhzen assurera désormais la part d'entretien du phare de Spartel qui incombait jusqu'ici à l'Allemagne et à l'Autriche-Hongrie.

Il prendra également à sa charge l'arriéré à liquider pour le compte de ces deux Puissances.

Le 24 *Kaada* 1339 (30 *juillet* 1921).

[W 9878/184/28] No. 38.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received September* 15.)

(No. 543.)

My Lord, *Zarauz, September* 3, 1921.

ALTHOUGH, as already reported, the new military operations in Morocco are far from popular in this country, there would seem, judging by the reports of the papers, and also the reports which I have received from various consulates respecting the embarkation of troops for Melilla, to be no likelihood of any active agitation against the prosecution of the campaign. The country has accepted the situation with its usual fatalism. The press meanwhile is undoubtedly doing its utmost to work up public opinion in Spain to a realisation of what an acceptance of the defeat of July would mean to Spain in the councils of Europe. There would seem, therefore, to be no probability of any trouble arising in the country for the present which would interfere with the renewal of the campaign in the Riff country unless there should be another serious reverse. The appeals which have been made for subscriptions to the Red Cross and for the purchase of war material, aeroplanes, &c., in various parts of the country seem to have been fairly well supported by the different provinces, and as there is no question at present of a general mobilisation, which was unquestionably feared at one time, the relief has been correspondingly great.

The papers in the last few days have, however, been clamouring for the strict investigation of the responsibility for the Melilla disaster, and it was supposed that the visit of the Minister for War, Señor La Cierva, to Melilla last week was largely connected with this question, which the Government, in view of the public interest that has been aroused in it, could hardly burke. If a serious investigation is undertaken, it may lead to results, which it would be very difficult to publish, in connection with the action taken by the military "juntas de defensa" with regard to the Melilla campaign, and even with the direct intervention in the prosecution and plan of it by His Majesty the King of Spain, whose personal friend General Silvestre undoubtedly was. While, therefore, it is probable that the Government, in order to allay public dissatisfaction may declare themselves ready to undertake a strict investigation, it is not unlikely, in my opinion, that the investigation will last so long as to allow public agitation on the subject to die down before it is concluded, and other matters of importance—of which there are many—to distract public attention from this particular point. As your Lordship is aware, it has been for some time past an exceedingly delicate matter for any Government to touch the "juntas de defensa," and the only man in this country who appears to possess the will and the energy to attack them, namely, Count Romanones, has, perhaps for this very reason, not been asked by the Prime Minister to take a seat in this Cabinet.

I have, &c.
ESME HOWARD.

[W 9949/790/28] No. 39.

Lord Hardinge to the Marquess Curzon of Kedleston.—(*Received September* 17.)

(No. 2578.)

HIS Majesty's Ambassador at Paris presents his compliments to His Majesty's Principal Secretary of State for Foreign Affairs, and has the honour to transmit herewith copy of a note from the President of the Council, dated the 15th September, 1921, respecting the Tangier port concession and the eventual status of Tangier.

Paris, September 15, 1921.

Enclosure in No. 39.

French Minister for Foreign Affairs to Lord Hardinge.

Ministère des Affaires étrangères,

M. l'Ambassadeur, *Paris, le* 15 *septembre* 1921.

LE Comte de Saint-Aulaire m'a fait part des amicales démarches de Sir Eyre Crowe auprès de lui pour obtenir certains éclaircissements au sujet de la concession par le Gouvernement chérifien du port de Tanger. J'ai, d'autre part, l'honneur d'accuser réception de la lettre de votre Excellence en date du 9 août et du mémorandum qui était joint—lettre et mémorandum qui posent différentes questions sur cette affaire.

Ces questions intéressant à la fois le Gouvernement français et le Gouvernement chérifien, j'ai saisi Sa Majesté le Sultan du Maroc des objections élevées et des rectifications demandées par le Gouvernement britannique au dahir de concession du port de Tanger. Le Gouvernement chérifien m'ayant fait connaître sa pensée sur les différents points abordés par le mémorandum du Foreign Office, je suis aujourd'hui en mesure de donner à votre Excellence les précisions demandées par sa lettre du 9 août :

Les questions posées par le mémorandum se rétèrent au retour éventuel au Maghzen, dans quinze ans, des droits concédés à la Société du Port ;

A la construction des travaux du port et au principe de l'adjudication ;

A la réunion d'une nouvelle commission technique chargée d'examiner le cahier des charges ;

A l'approbation nécessaire du Corps diplomatique à Tanger ou au moins des représentants des trois Puissances principalement intéressées ;

Au pourcentage réservé dans le capital de la Société du Port à ces Puissances au Gouvernement chérifien ;

Au statut futur de Tanger.

Sur le premier point, le Gouvernement chérifien, partant du principe que, jusqu'à ce qu'il en soit autrement convenu par un accord des Puissances sur le statut de Tanger, la souveraineté du Sultan sur cette ville reste entière, considère qu'en prévoyant le

retour au Maghzen des droits concédés à la Société du Port, il n'a à aucun degré outrepassé ses droits. Cette clause de style dans tout contrat de cette nature a surtout pour but d'inciter la société concessionnaire à une bonne administration par la menace éventuelle de se voir retirer le bénéfice de la concession. C'est seulement dans le cas où la société concessionnaire ne remplirait pas les obligations inscrites dans le cahier des charges, ou si elle ne donnait pas satisfaction aux besoins économiques de Tanger, que le Maghzen envisagerait l'application de cette mesure.

Sur la question de l'adjudication des travaux, le Gouvernement français, soucieux de respecter dans toute sa rigueur le principe formel de la libre concurrence au Maroc, n'avait pas manqué de recommander au Gouvernement chérifien ainsi qu'à la Société internationale du Port de Tanger l'observation de cette règle. En réponse à cette invitation, la société concessionnaire a opposé les conclusions de la Commission technique réunie en 1914.

Je rappelle que l'accord des Gouvernements de Londres, de Paris et de Madrid s'était fait dès 1913 pour confier à une commission technique, composée des représentants des trois Puissances, l'examen du cahier des charges de la concession du port de Tanger.

Cette commission a spécialement étudié les conditions d'exécution des travaux du port, et le Gouvernement britannique, en se référant au rapport authentique auquel aboutit la commission, constatera que, sur l'initiative de M. le Capitaine Frederick, ancien conseiller technique du Board of Trade, représentant de la Grande-Bretagne, auquel se rallia M. de Thierry, représentant de l'Allemagne, il fut à l'unanimité décidé que la Société du Port serait exonérée de l'obligation d'adjuger tous les travaux qu'elle ferait exécuter. La Commission internationale estimait, en effet, que si la procédure d'adjudication avait été rendue obligatoire au Maroc en vue d'assurer aux diverses nationalités une complète égalité dans la participation aux entreprises de travaux, cette participation existait déjà pour la Société internationale pour le Développement de Tanger. En lui laissant la liberté d'exécuter elle-même les travaux du port, c'est entre ses actionnaires que les bénéfices à tirer des entreprises seraient répartis, c'est-à-dire qu'on en ferait profiter les nationalités diverses participant à la constitution du capital.

Le Gouvernement britannique appréciera par là que le Gouvernement chérifien, en introduisant dans le cahier des charges la clause d'exonération en question, n'a fait que se conformer à l'accord résultant de la proposition même du représentant anglais au sein de la Commission internationale.

Malgré cette situation et pour marquer au Gouvernement britannique l'esprit de conciliation du Gouvernement français dans cette affaire, ce dernier est prêt, sur le désir qui lui en serait exprimé par le Gouvernement royal, à intervenir auprès du Gouvernement chérifien et à user de son influence sur la société concessionnaire pour obtenir l'abandon du privilège inscrit dans l'accord de 1914 et reproduit dans le cahier des charges actuel pour en revenir purement et simplement à l'obligation d'adjuger les travaux du port. Mais on doit observer que cette rectification au cahier des charges entraînera des retards nouveaux, en raison de la résistance que la société concessionnaire ne manquera pas d'élever et, en admettant une solution favorable, en raison des délais prolongés qu'implique la procédure de la mise en adjudication. Cette mesure aurait en outre l'inconvénient d'aggraver à Tanger le malaise économique qui y règne et serait en contradiction avec les vœux de la colonie britannique et des autres colonies qui ont réclamé, par leurs organes qualifiés, la "*prompte exécution*" des travaux du port. Au cas où serait provoquée une modification sur ce point du cahier des charges de la société concessionnaire, le Gouvernement de la République déclinerait la responsabilité de retards qui en résulteraient et qui feraient le plus fâcheux effet sur les colonies européennes de Tanger.

Réunion éventuelle d'une commission d'experts pour examiner le cahier des charges de la société concessionnaire. En se référant au dossier du port de Tanger, le Gouvernement britannique constatera que, en 1913, ainsi qu'il est rappelé plus haut, l'accord s'était fait sur l'opportunité de cet examen par une Commission internationale technique. Quoique, dès cette époque, le projet de construction du port fût achevé, il fallut près d'un an pour que l'accord se fît entre la résolution prise de réunir la commission et la remise du rapport final des experts.

Par leurs travaux, les commissaires mirent au point quelques détails qui demandaient des rectifications. Aujourd'hui, le cahier des charges de la société concessionnaire reproduit tout l'essentiel du projet arrêté en 1914 et, si quelques points ont été modifiés, ce n'a été que pour mettre le projet initial en harmonie avec les conditions nouvelles du marché, du prix de la main-d'œuvre, des matériaux, &c.

Une nouvelle commission technique n'aboutirait qu'à confirmer les projets déjà adoptés. En revanche, la réunion de cette commission, sans apporter d'éléments nouveaux à une étude poursuivie par le Gouvernement chérifien et la société concessionnaire depuis près de dix ans, aboutirait à un nouveau retard et accentuerait les difficultés dont souffrent les colonies de Tanger. Ces raisons me font considérer comme inopportune la constitution d'une nouvelle commission technique.

De même, le Gouvernement français, en accord avec Sa Majesté le Sultan, ne peut admettre que le cahier des charges de la société concessionnaire soit soumis à l'examen et à l'approbation du Corps diplomatique à Tanger.

Il n'échappe pas au Gouvernement français que cette procédure avait été prévue en 1914. Mais, en dehors des difficultés matérielles qui s'y opposent aujourd hui, il apparaîtra au Gouvernement britannique que, depuis 1914, des événements d'importance ont modifié au Maroc les aspects et la position des diverses Puissances, les unes au regard des autres.

Accepter de porter aujourd'hui au Maroc les liens imposés à Algéciras sous la contrainte allemande et continuer dans les temps à venir à subir des règles contraires aux intérêts de la France ne serait plus toléré un instant par notre opinion nationale, après les sacrifices considérables consentis par notre pays pour être libéré des entraves et de la pression étrangères.

L'expérience a prouvé que l'activité du Corps diplomatique à Tanger n'a eu que trop souvent pour effet de contrarier et de paralyser les efforts de la France et du Gouvernement chérifien pour assurer à Tanger la prospérité à laquelle toutes les colonies européennes sont conviées à participer.

Si, pour des raisons supérieures, la France s'est résignée jusqu'en 1914 à une position diminuée en face de l'Allemagne, elle l'a fait dans la conscience de sacrifier ses droits à sa volonté de paix et, quoique l'Allemagne, aujourd'hui, soit hors de cause au Maroc—ainsi que le fait observer le mémorandum du Foreign Office—c'est l'esprit même de la politique d'Algéciras qui continuerait à s'y faire sentir si nous confiions au Corps diplomatique à Tanger le soin de régler les affaires relevant de l'autorité du Sultan.

Au surplus, en réduisant au concert des trois Puissances intéressées—Grande-Bretagne, Espagne et France—l'examen de la concession du port de Tanger, la difficulté demeure. Comment, en effet, escompter du Gouvernement espagnol une approbation quelconque à un acte comme celui que représente la concession du port, qui suppose une reconnaissance de la souveraineté chérifienne à Tanger, souveraineté que le Gouvernement espagnol n'a cessé officiellement de dénier?

Mieux eût valu par avance renoncer à doter Tanger du port réclamé par l'unanimité des colonies.

De là la non-communication préalable au Corps diplomatique du projet de concession du port. Je rappelle d'ailleurs que le Gouvernement espagnol, en installant des pêcheries à Tanger et en y faisant atterrir un câble, a pris des initiatives qui, selon la théorie que soutient le Gouvernement britannique, eussent dû être soumises à l'approbation du Corps diplomatique. Aucune réserve, cependant, n'a été élevée à Londres contre les formes sommaires et à l'occasion violentes employées par les autorités espagnoles dans ces circonstances. Le Gouvernement français serait-il le seul à encourir des griefs dans une affaire d'une autre nature, certes, mais dont le principe est rigoureusement le même?

Ces considérations m'amènent à examiner le point le plus important soulevé dans le mémorandum du Foreign Office. Il se rapporte au pourcentage respectivement attribué aux diverses Puissances intéressées dans le capital de la Société pour le Développement de Tanger et en particulier à la reprise par le Gouvernement chérifien des parts allemande et autrichienne dans ladite société. Cette question, offrant à l'égard de Sa Majesté le Sultan un caractère en quelque sorte personnel, a des rapports étroits avec les solutions à intervenir pour le statut de Tanger, suivant que la souveraineté chérifienne sur cette ville sera plus ou moins reconnue par le Gouvernement britannique.

Cette évidence n'a pas échappé à Sa Majesté le Sultan, qui a formellement exprimé la volonté d'intervenir dans la construction et l'administration du port de Tanger, ville impériale, dans une mesure que justifient ses services pendant la guerre et ses sacrifices financiers présents, puisque, sans la garantie donnée par son Gouvernement à la Société du Port, celle-ci se déclarait incapable d'entreprendre cette affaire.

Votre Excellence est certainement informée de l'intérêt spécial que Sa Majesté attache à la reconnaissance de ses droits souverains à Tanger. Cet intérêt a paru si important qu'au lendemain de l'armistice, Moulay Youssef avait manifesté le désir de

voir le Maroc représenté à la Conférence de la Paix pour revendiquer certains avantages, notamment la reconnaissance de sa souveraineté à Tanger.

Le Gouvernement français a détourné Sa Majesté de cette intention, assuré que son meilleur argument était la participation du Maroc dans la victoire commune, argument qui ne pouvait trouver le Gouvernement britannique indifférent.

Protectrice du Maroc, la France puise dans ce mandat, à côté de droits, des charges positives que Sa Majesté le Sultan lui rappelle et auxquelles le Gouvernement de la République attache une extrême considération.

Le mémorandum britannique à ce sujet met en relief la subordination du Sultan par rapport au Gouvernement français, libre d'imposer sa volonté au Maghzen dans la direction des affaires extérieures. Qu'il me soit permis de faire remarquer à votre Excellence qu'en admettant ce point de vue—dont l'application soulève d'ailleurs certaines réserves—il y a derrière le Sultan tout un peuple, qui prend chaque jour davantage conscience de ses intérêts, de ses besoins, et qui a déjà exprimé de manière non équivoque sa désapprobation de la division de l'Empire.

On créerait dans les milieux marocains un mécontentement justifié et particulièrement dangereux après les récents événements de Melilla en écartant de Tanger le pavillon chérifien, qui n'a cessé d'y flotter depuis des siècles. Cette infortune se produisant au lendemain d'une guerre où le Maroc fut partie affecterait gravement le prestige que la France doit, au contraire, défendre au regard des populations musulmanes protégées par elle.

Des raisons analogues ont dicté l'attitude de la Grande-Bretagne en Orient. C'est ainsi que le chef du Gouvernement britannique rappelait récemment que les Arabes ayant été des Alliés dans la guerre avaient accepté par là des sacrifices dont il était juste de leur tenir compte. Cette vérité appliquée à l'Orient pour justifier certaines faveurs consenties aux Arabes vaut aussi pour l'Occident, où la France a, de même, des devoirs à remplir vis-à-vis de ses protégés marocains et ce serait gravement méconnaître ces devoirs que de laisser frapper d'une diminution l'autorité du Sultan au Maroc.

Sa Majesté chérifienne entend n'être pas bannie de la zone de Tanger et c'est sous l'empire de cette légitime préoccupation qu'elle a consenti l'effort financier que représente pour le budget marocain la garantie d'intérêts affectée à la construction du port de Tanger. Sa Majesté considère qu'elle ne saurait être absente des délibérations d'une société chargée d'administrer un port soumis à sa souveraineté, et elle apprécie que la reprise en sa faveur de la part allemande de la société n'est qu'un juste profit de la guerre, bien mince d'ailleurs en regard des milliers de ses sujets tombés pour la cause des Alliés.

Le Gouvernement français partage ce sentiment. Mais, dans un désir de conciliation, le Sultan admettrait peut-être de rétrocéder une partie des parts allemande et autrichienne aux Puissances intéressées si, dans le règlement du statut de Tanger, ces Puissances s'engageaient à ne rien demander qui soit contraire à l'autorité souveraine qu'il détient à Tanger.

Cela m'amène à fournir à votre Excellence quelques informations sur le statut éventuel à instaurer à Tanger.

Il résulte des déclarations du Gouvernement britannique qu'il ne recherche à Tanger aucun avantage particulier, étant entendu que les garanties stratégiques pour la neutralisation des eaux marocaines du détroit seront assurées dans les termes des accords de 1904—et que sera maintenue la liberté économique nécessaire au développement du commerce britannique.

Ces garanties, le Gouvernement français est prêt à les confirmer, dans les formes les plus positives et les plus explicites, de manière que la Grande-Bretagne n'ait aucun motif d'inquiétude présente ou à venir dans le maintien de l'autorité chérifienne à Tanger. Le Gouvernement français s'applique, en accord avec Sa Majesté le Sultan, à dresser les grandes lignes de ce que devrait être le statut de Tanger et l'Ambassadeur de la République à Londres sera prochainement en mesure de fournir à ce sujet tous les éclaircissements désirables. Ces éclaircissements feront ressortir la modération et le bien-fondé des intentions du Gouvernement français dans cette affaire et je ne doute pas que la question de Tanger, qui risquait de devenir entre la France et la Grande-Bretagne un motif de divergence, ne soit au contraire par la loyauté et la franchise de nos explications une occasion de préciser et de resserrer plus étroitement l'entente nécessaire aux deux pays.

Veuillez agréer, &c.
A. BRIAND.

[W 10063/412/28] No. 40.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received September* 20.)

(No. 365. Confidential.)
My Lord, *Tangier, September* 6, 1921.

MY American colleague has informed me confidentially that the French Government have lately again approached the State Department with the request that the United States Government should consent to the abolition of the Capitulations in the French zone of Morocco, and that the Department had requested him to furnish them with his views on the subject.

It was in the year 1914 that the French Government first endeavoured to obtain the abandonment by America of her rights under the régime of the Capitulations, but, although shortly before coming into the war the United States Government consented to recognise the French protectorate over Morocco, they declined to agree to the abolition of the Capitulations on the ground that the consent of Congress was necessary, and that it was more convenient to wait until the Capitulations could also be abolished in the Tangier and Spanish zones before laying the matter before that body. The Foreign Secretary had, however, previously informed the French Ambassador that they would be prepared to enter into negotiations for a treaty for the surrender of their rights under the régime of the Capitulations, provided that they obtained guarantees that the existing rights of Moroccans in respect of the holding, purchase and sale of land would be preserved intact; that commercial equality in its widest sense, including participation in public works, furnishing of supplies, &c., would be maintained; that most-favoured-nation treatment would be accorded; that all pending claims would be settled; that, so far as France was concerned, American rights in the Spanish zone and Tangier would not be affected; and that they should have the right to select an American as one of the judges of the Mixed Court to be created at Tangier.

The French Government were evidently not prepared to enter into a treaty of this nature with the United States, so the question of the abolition of the Capitulations was dropped.

I gather that my American colleague will recommend that capitulatory rights should not be relinquished until a commercial convention shall have been negotiated containing the above-mentioned stipulations and providing that, so far as American citizens are concerned, the existing protectorate legislation should not have a retroactive effect.

I have, &c.
HERBERT E. WHITE.

[W 10203/709/28] No. 41.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received September* 23.)

(No. 573.)
My Lord, *Zarauz, September* 14, 1921.

I TOOK the occasion of the presence of the Minister for Foreign Affairs in San Sebastian yesterday to give him a short verbal summary of the Foreign Office memorandum on the subject of the Tangier harbour concession, which was sent to His Majesty's Ambassador at Paris on the 8th August, 1921, for presentation to the French Government. I had been, as your Lordship will remember, permitted to do so by your telegram No. 91 of the 2nd September, 1921.

With regard to the alteration in the distribution of the shares in the port concession which, it was stated in the memorandum, the French Government said they were ready to consider, his Excellency asked me whether the French had given any precise indications as to their intentions in this respect. I replied that I believed they had not, but merely stated that they were ready to accept modifications of the arrangements contained in the concession with regard to the shares of the respective Governments interested.

I informed his Excellency that your Lordship, when treating of the question whether the concession should have been previously submitted to the Corps diplomatique at Tangier, while admitting that there might, in view of the elimination of German and Austrian interests, be some foundation for the contrary contention of the French Government, had yet insisted on the necessity of its submission to

the Powers mainly interested, including Spain; and further, that, in your opinion, there could be no satisfactory settlement of the question without the previous consent of the Spanish Government. At this his Excellency appeared to be much gratified. He was also evidently gratified by the final statement of the memorandum in question, to the effect that His Majesty's Government had pledged themselves both to the French and Spanish Governments not to come to any separate understanding with either by which the other would be faced by a *fait accompli*, and therefore trusted that any French proposals would be simultaneously offered to themselves and Spain.

He asked me, however, what steps His Majesty's Government would take supposing the French Government gave no reply within reasonable time to the arguments placed before them in your Lordship's communication, saying that he hoped His Majesty's Government would not allow too long a time to elapse before taking further action. I replied that I could not answer this question positively, but that I felt assured that His Majesty's Government would not agree to the concession going through in its present form, and that therefore the execution of the project for the port of Tangier would be postponed until such time as a settlement could be arrived at between the British, Spanish and French Governments. His Excellency went on to say that he hoped that pressure would be put on the French Government to arrive at some settlement at the earliest date possible, because the latter were still continuing their policy of extending the Sultan's authority over the Tangier zone in every possible way. He said he would give me a further recent example of this in the action of the French authorities in Morocco with regard to the lighthouse at Cape Spartel. He stated that the telephone line between Tangier and this lighthouse (which, as your Lordship is aware, is an international establishment set up under the International Agreement of the 31st May, 1865) belonged to Lloyd's and that the latter had recently expressed their desire to sell it. The Spanish Minister, as I understood from Señor González Hontoria, had thereupon circularised the representatives of the signatory Powers in Tangier, stating that the Tangier Telephone Company, which, I understood, was a Spanish concern, would be prepared to take over this line. The French Minister had held up the circular, which ought to have gone on to the other diplomatic representatives for their observations, for something like three months; and when the Spanish Minister asked him what had been done with it, the French Minister simply replied that the telephone line had been purchased in the meantime by the Makhzen and that the question was no longer actual.

His Excellency pointed out that, in accordance with the convention establishing the lighthouse at Cape Spartel, the Government of the Sultan had nothing whatever to do with the administration of the lighthouse, which was entirely left to the contracting Powers, and therefore that anything touching the administration of the lighthouse was a matter for the representatives of those Powers in Tangier. The Spanish Minister had acted correctly, therefore, in submitting his proposal to the diplomatic representatives in Tangier, whilst the French Minister had gone behind the back of the Diplomatic Corps and presented them with a *fait accompli* in the shape of the purchase of this telephone line by the Government of the Sultan. Señor González Hontoria said that this in itself, like many other matters of the same kind, might appear of little importance, and had it not been accompanied by other similar actions might well have been passed over without observation, but it was clearly a part of the system of policy pursued by the French authorities in Morocco, and was only further evidence of the necessity of getting the status of Tangier settled once and for all with the least possible delay.

I have, &c.
ESME HOWARD.

[W 11187/9545/28] No. 41A.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received October* 18.)

(No. 214.)
(Telegraphic.) *Madrid, October* 17, 1921.

MINISTER for Foreign Affairs spoke to me to-day about international lighthouse at Cape Spartel.

He said that Diplomatic Corps at Tangier had received some time back a circular from Maghzen notifying that Moroccan Government would in future contribute German and Austrian shares to the lighthouse. He understood that British representative had returned this marked simply "Seen," thus apparently acquiescing. Spanish representative had referred matter to his Government as being contrary to Lighthouse Convention of 31st May, 1865. His Excellency said that it was clear that if Maghzen contributed to expenses they would claim—and justly—to participate in administration, which would be contrary to convention.

He suggested that all signatory Powers should there divide between them Austrian and German shares of expenses and was anxious to know whether, if Spansh representative put forward a suggestion in this sense, British representative would be instructed to support him.

I should be glad to learn your views.

[W 11557/790/28] No. 42.

Sir H. White to the Marquess Curzon of Kedleston.—(*Received October* 31.)

(No. 409.)
My Lord, *Tangier, October* 16, 1921.

I HAVE had the honour to receive copy of Lord Hardinge's despatch No. 2578 of the 15th ultimo, transmitting copy of a note from the French Minister for Foreign Affairs respecting the port of Tangier and the future status of its zone, and I beg to submit the following observations on the arguments put forward by M. Briand.

With regard to the stipulations in the concession reserving certain rights to the Makhzen as to repurchase, control, &c., I concur that they are advantageous, provided of course that all these rights pass to the municipality when the international régime is set up. It is indeed in accordance with precedent that the Makhzen should in the meantime be invested with rights eventually to pass to the municipality, *e.g.*, article 2 of the Railway Protocol annexed to the Franco-Spanish Treaty of 1912.

M. Briand is correct in stating that the British representative on the Technical Commission was in favour of the construction of the port being conceded to the International Company without adjudication, but it must be remembered that the commission had no power to take a decision on the subject, its functions being limited to making recommendations, which, if approved by the different Governments represented thereon, would be supported by their agents when the matter came up for discussion before the Diplomatic Body at Tangier. It is only by the consent of the Diplomatic Body that there can be any derogation from the terms of the Act of Algeciras. From what my American colleague tells me, it is by no means certain that his Government would consent to waiving the condition of adjudication in this case, though he has not yet received any instructions on this point.

From all I hear, and from the language held by M. Barety as reported in my despatch No. 400 of the 12th instant, it would appear that the French Government and the concessionary company have resigned themselves to the necessity for adjudication. There will doubtless be some outcry in the French press and among the French and other residents at the delay that adjudication will cause in the commencement of the work, and the French Government will naturally make as much capital as possible out of it, but so far as British subjects here are concerned a modification of the concession in that respect will certainly be welcomed. I may observe, moreover, that the real cause of any delay that may occur in the commencement of the work will be in great measure attributable to the action of the French Government in attempting to push through the concession without consulting the other Powers.

As regards the examination of the convention and the "cahier des charges" by a technical commission, which cannot be the former one on which Germany was represented, it appears to me that it would be sufficient, as far as we are concerned, if they were examined by Captain Fredericks, or by some other expert should he not be available.

The French Government is always most unwilling to submit anything to the Diplomatic Body at Tangier, but, as pointed out above, it is only by the consent of the signatory Powers that any of the provisions of the Algeciras Act can be set aside. Whether submitting the contract for the construction to adjudication would bring the concession to the International Company into conformity with the terms of that Act is a question to be examined. It has, in some other cases, been held that the Sultan can grant concessions without adjudication, provided the construction and the furnishing of supplies are put up to tender.

There is some force in the observation in regard to the concession to the Spanish company for a fishing concession. There can, I think, be no doubt that the matter should, strictly speaking, have been referred to the Diplomatic Body, but, as a matter of fact, the position at the time was so fraught with danger that one was only too glad to see any arrangement come to between the Spanish agent and the Makhzen, and one was unwilling to raise questions that would render a settlement more difficult and prolong a very dangerous situation.

The incident in connection with the laying of the cable was on rather a different footing, but, even here, it would, I presume, have been more correct if the Makhzen had consulted the Diplomatic Body before authorising the landing.

The question of the distribution of the German and Austrian shares in the capital of the International Company is rendered more difficult by the refusal of the Treasury to accept any responsibility for the guarantee of the shares to be issued to the public. The Protectorate Government will presumably refuse to guarantee the interest unless the Makhzen is allowed to take over the German share of the capital, and, in that case, the whole scheme would fall through, for some guarantee is necessary in order to be able to raise the money, and Tangier has nothing to offer as security. On the other hand, I understand that great difficulty is being experienced in England in getting even the 20 per cent. allotted to us taken up. It would therefore perhaps be better, if the German shares are to be distributed, that they be divided amongst other countries rather than that they be allotted to France, Spain and ourselves.

As I have already stated, I am convinced that the management will be left almost entirely to the French directors, whatever the distribution of the capital.

M. Briand lays great stress on the bad effect that would be produced on Moorish public opinion by any impairment of the Sultan's position at Tangier. It is a convenient ground on which to argue his case, but I think he is much mistaken. The internationalisation of Tangier on the lines suggested would be welcomed by the natives, as is shown by the fact that many of the leading Moors of the French zone desire to settle here and would do so if they dared. There was never any question, so far as I am aware, of removing the Moorish flag from Tangier, or of not having a Moor, nominated by the Sultan, at the head of affairs as His Majesty's representative. Indeed the latest draft of the convention and dahir for the internationalisation of Tangier left wide powers to the Moorish officials to be appointed by the Sultan.

M. Briand suggests that the Sultan would perhaps consent to surrender a portion of the German capital to the interested Powers, if they undertook to ask for nothing which would be contrary to the sovereign authority which His Majesty holds here. It appears to me that the question of the port concession should be kept apart from that of the future status of Tangier, except that assurances should be obtained that any rights or obligations to be conferred on the Makhzen or Sultan under the terms of the concession should in due course pass to the future municipality.

I have, &c.

HERBERT E. WHITE.

[W 11558/9545/28] No. 43.

Sir H. White to the Marquess Curzon of Kedleston.—(Received October 31.)

(No. 410.)

My Lord, *Tangier, October 18, 1921.*

I HAVE the honour to acknowledge the receipt of your Lordship's despatch No. 273 of the 4th instant, transmitting a copy of a despatch from His Majesty's Ambassador at Madrid, which reports a conversation with the Minister for Foreign Affairs, who complained of the action of the French Republic in connection with the installation of a telephone at Spartel lighthouse.

In this case I consider that there are grounds for the complaint of the Spanish Government, though the facts are not quite accurately related by M. Hontoria.

When Lloyd's first installed their signal station at Cape Spartel they connected it by telephone with the office of the Eastern Company in this town, and steamship agents found it very convenient to be able thus to obtain early news of the time at which they might expect their vessels to arrive. On Lloyd's recently closing their station they offered to sell the telephone to the Lighthouse Commission for installation at the lighthouse, if arrangements could be made for the keepers to receive signals and transmit

them to Tangier. The British Chamber of Commerce also approached me on the subject. I spoke to my French colleague, who is president of the Lighthouse Commission this year, and suggested that we buy the telephone and arrange with the Eastern Telegraph Company to continue the service as before.

Considerable delay occurred, as it was necessary, before submitting the question to the commission, to ascertain the condition in which the posts, wire, &c., were after the many years they had been in use. The secretary of the commission was accordingly instructed to obtain a report on them from the chief engineer of the Caisse spéciale and to communicate also with the Eastern Telegraph Company. Unfortunately, the latter made difficulties as to keeping on the service, for, though they had no objection to the wire running into their office when the other end was at Lloyd's station, they feared that they might suffer some inconvenience when the telephone was under the control of the Lighthouse Commission.

When M. de Carbonnel eventually submitted the matter to the commission by circular, he suggested that, as the Eastern Telegraph Company did not wish to keep the telephone, the town end of the wire might be led into the office of the extra-urban police, who would undertake to communicate the messages received.

This did not appear to me to be a very satisfactory arrangement, so I saw my French colleague and discussed the matter with him, suggesting that it would be best to leave the wire at the Eastern Telegraph Company, coming to some arrangement which might overcome their objections. M. de Carbonnel then proposed that the Shereefian telegraph and post office should receive and distribute the messages, observing that it was, after all, the correct office to undertake the duty. Failing the Eastern Telegraph Company, this appeared to me to be the best solution.

Subsequently my Spanish colleague came to see me and informed me that the Spanish telephone company proposed to purchase the wire from Lloyd's and take over the service, but he had not yet received any definite proposition from the director at Madrid, the local agent having merely mentioned the idea. He asked whether the matter could stand over for a time to enable him to communicate with Madrid. I said I saw no objection and would mention the matter to M. de Carbonnel, who, like myself, was shortly starting for a trip in the French zone. On my later communicating this to the French agent, he at once agreed to hold up the circular.

After our return from the French zone, M. de Carbonnel informed me that there were objections to the Spanish company taking over the telephone to Spartel, as that would greatly extend the rights they already enjoyed. I agreed that if they were allowed to take over the service, a distinct understanding would have to be come to on the subject, so as not to risk the establishment of an extensive monopoly. M. de Carbonnel then told me that the Shereefian post office was prepared to take over the line and maintain it at its own cost if they could purchase it from Lloyd's at a reasonable price, and he asked me to request their agent to see him on the subject.

This I agreed to do, and I understand that as soon as an agreement as to price was come to, the various proposals would be submitted to the commission, which would decide which was the most advantageous.

The negotiations as to the price to be paid for the line took some time, and M. de Carbonnel left Tangier on leave of absence before an agreement was come to. In the meantime M. Serrat, who had already communicated the Spanish company's proposal and asked for a meeting to consider it, became impatient at the circular being held up so long, and when saying good-bye to M. de Carbonnel I mentioned this to him in the presence of the secretary, who was to remain in charge at the agency.

Some time later I received, as doyen, a letter from the Spanish agent complaining that the circular had been held up, and that the meeting of the commission for which he had asked had not been convoked. I saw the French Chargé d'Affaires and informed him of M. Serrat's complaint, observing that he ought to send round the circular without delay and summon a meeting. To my surprise he replied that he had already sent on the circular, and had informed the commission that the Shereefian post office had purchased the telephone, which would be installed in their office. I at once expressed my astonishment that the commission should thus be faced with a *fait accompli* without having had an opportunity to examine the different proposals and take a decision thereon, and I expressed my views on the subject very clearly.

I beg to transmit herewith a copy of M. Serrat's letter and of the annotations thereon of the French Chargé d'Affaires and of M. Serrat himself. All the other representatives contented themselves with annotating the circular as "vu."

There can be no doubt that the taking over of the telephone by the Shereefian post office was the most favourable solution, especially in view of the shortness of funds

of the commission, and it would have been the one approved by the commission had the various offers been put to the vote; but it is equally certain that the French Chargé d'Affaires, as president of the commission, should have submitted all the proposals to the commission before the line was purchased by the Shereefian post office, and I expressed this opinion on the circular of the president of the commission.

I have, &c.
HERBERT E. WHITE.

Enclosure 1 in No. 43.

M. Serrat to Sir Herbert White.

M. le Doyen et cher Collègue, *Tanger, le 3 août* 1921.

DANS les premiers jours du mois de mai m'est parvenue la circulaire de la Commission du Phare du Cap Spartel, relative à la proposition faite vers la fin de l'année dernière par le représentant du Lloyd, de céder la ligne téléphonique ralliant la ville avec le sémaphore et le phare.

J'y ai joint une proposition du chef du réseau téléphonique et j'ai demandé une séance de la commission, en vue d'examiner l'état de notre budget, ainsi que les différentes propositions présentées.

Mon annotation ne semble pas avoir été relevée et le cours de la circulaire a été arrêté. Croyant une méprise, le 16 juillet j'ai adressé une lettre à notre président pour lui rappeler l'affaire et le prier de vouloir bien m'informer de l'accueil que ma demande avait obtenu. Cette démarche n'a pas été plus heureuse que la première et, à mon étonnement grandissant, le président n'a pas daigné répondre.

Me trouvant devant une situation sans précédent, avant de prendre une résolution qui pourrait intéresser les collègues—puisqu'il s'agit de l'exercice d'un droit commun à tous—je vous serai reconnaissant de vouloir bien prendre leur avis et me le communiquer avec le vôtre, spécialement compétent.

Veuillez agréer, &c.
F. SERRAT.

Enclosure 2 in No. 43.

Annotation de M. Maigret, Chargé d'Affaires de France.

IL s'agit sans aucun doute d'un malentendu, comme l'honorable Ministre d'Espagne voudra bien s'en rendre compte. En effet, il ne pouvait entrer dans la pensée du président d'entraver la marche de la circulaire au bas de laquelle M. Serrat avait proposé une réunion de la commission pour examiner une proposition du Lloyd de céder sa ligne téléphonique du sémaphore et, plus spécialement, pour considérer une offre faite à ce sujet. Mais, au moment même où ladite circulaire revenait au président, celui-ci apprenait que l'agent du Lloyd était également en pourparlers avec le Makhzen en vue de la cession de ladite ligne téléphonique. Il a paru, dans ces conditions, au président qu'il serait plus expédient de ne proposer une date pour la réunion de la commission qu'après avoir connu le résultat de ces tractations, les propositions en cours pouvant devenir sans objet au cas où le Lloyd, propriétaire de la ligne, aurait donné suite à d'autres propositions qui nous échappaient. Ces pourparlers ont duré un certain temps et c'est ce qui explique le retard. Aussitôt que j'ai eu reçu une communication relative à la conclusion de cette affaire avec le Lloyd, je me suis empressé de l'adresser en tout premier lieu à l'honorable Ministre d'Espagne, qui avait bien voulu me rappeler sa proposition de réunion quelques jours auparavant.

Le président n'a donc eu à aucun moment la pensée d'arrêter le cours de la circulaire ni encore moins de porter atteinte à un droit commun à tous, pas plus que d'entraver les pourparlers du Lloyd avec qui que ce soit.

R. MAIGRET.

Enclosure 3 in No. 43.

Annotation de M. Serrat.

IL appartenait à la commission et non au président d'apprécier jusqu'à quel point les négociations entre le Makhzen et le Lloyd pouvait influencer nos décisions, et de fixer la date de la réunion demandée.

De fait on a négligé une demande de réunion et on a laissé une lettre sans réponse. Ce sont des procédés que je ne saurais pas admettre.

F. SERRAT.

[**W 11531/367/41**] No. 44.

Sir E. Howard to the Marquess Curzon of Kedleston.—(Received October 31.)

(No. 671.)
My Lord, *Madrid, October* 24, 1921.

BEFORE dealing with the statements of the Prime Minister and subsequent debate at the opening of the Cortes yesterday, which I propose to do in my next despatch, it might be useful to give some account of the political situation here on the eve of the new session, so far as I have been able to understand it from the newspaper articles of various political colours which I have seen since my return to Madrid last week.

There were various rumours in circulation last week of an approaching Government crisis, and it was stated that the Government would not outlive the opening session. These prophesies have fortunately not been fulfilled, and although the reception given to the Government in the House was distinctly cold, it may be hoped that they will manage to continue in office for some time to come, there being, for the moment, apparently no other party or group of parties willing to take their place. The danger to the present Government coming from amongst the Conservatives themselves, which I referred to in one or two despatches written in August and September, appears for the moment to have passed away. This danger, as your Lordship will remember, arose from the fact that the Liberal Conservative or Datist group, which is by far the strongest Conservative Party in the House, had never elected a leader since the death of Señor Dato, and many of the members were pressing for such an election before the opening of Cortes. It was generally supposed that Señor Sanchez Guerra, President of the Lower House, would be elected, and that it would then be difficult for the Government to continue in office unless he accepted a place in the Cabinet, which would have entailed a partial Ministerial crisis and might have brought about a collapse of the Government. This danger has for the moment been avoided, the leaders of the Dato Party being evidently anxious not to precipitate a crisis of this kind, and having, therefore, postponed indefinitely the election of a chief.

On the other side, the leaders of the different Liberal groups, who have lately been holding meetings, have evidently not been able to agree on any joint action in opposition, and still less on any joint policy for a Liberal Government in office. The statements made by each of them with regard to the present situation have, therefore, been vague and non-committal, and it is understood that they do not wish to attack the Government seriously so long as the issue in Morocco is at all doubtful, and that therefore, for the moment, the Government has not much to fear from this quarter. The Liberal papers appear to be consequently depressed, saying that not only is there no real Government having the confidence of Parliament, but also no real Opposition.

On the other hand, the Government is certainly surrounded by various difficulties, not the least of which is the division of public opinion with regard to the policy

to be followed in the future in the Spanish zone of Morocco. It is clearly understood that the policy advocated by the High Commissioner Berenguer is that of inflicting certain chastisement on the Riffian tribes, whose defection caused the disaster of July; of securing the Spanish dominion along the coast from Melilla to Ceuta; of the final suppression of Raisuli in the west, and of leaving time and peaceful penetration to do the rest. He holds up as the example for Spain to follow the course pursued by Marshal Lyautey with such success in the French zone during the war, and vigorously opposes the idea of complete conquest by force of arms and direct administration of the zone from Madrid. From the statement made by Señor Maura in the House yesterday it is clear that he backs up General Berenguer in this so-called "protectorate" policy.

The mass of opinion in the army, however, and a certain amount of opinion in the press and amongst the Conservative section in the House appears to lie in favour of complete conquest by force of arms of the whole zone now that Spain has re-established her prestige by the recent operations in Melilla, and possesses what is considered a sufficient force on the spot to carry out such a policy. The adherents of this policy also favour direct administration by Spanish officials after the complete annexation of the zone, thereby sweeping away all vestige of Moorish administration in the country.

The "A.B.C." of two or three days ago contained a curious example of an argument in favour of this policy from its correspondent in Tetuan. He quite frankly declared that the Spaniards were by nature intolerant, and could not follow the calculating British policy of "exploiting" other countries under the veil of some form of native autonomy, that they must, in fact, either have things all their own way or else quit. One would suppose that in view of the past history of the Spanish Colonial Empire this would be hardly likely to be a strong or convincing line of argument, but it is undoubtedly the expression of the feelings of a large section of the army, and especially of the "juntas de defensa."

Here we come, as always, to the rock on which the Government seems likely to split. The "juntas de defensa" are violently opposed to General Berenguer and his protectorate policy, and are doing all they can to fix on him the responsibility for the disaster of last July. It is an open secret that Señor La Cierva, the Minister of War, who is by no means a *persona grata* to the juntas, wishes to promote General Berenguer and one or two other generals who have taken part in the successful operations around Melilla. The "juntas de defensa," however, at once blocked this, saying that no promotion should be made until after the Cortes had met and had time to examine the question of responsibility for the July defeat. The juntas well know that though General Berenguer was privately opposed to the rush forward policy of General Silvestre, yet he dared not oppose him openly, and even on one or two occasions congratulated him on the success of his forward movement shortly before the disaster occurred. The juntas are therefore determined to use this for all that it is worth against the High Commissioner, and to make him a scapegoat for the misfortunes which resulted from the rashness of General Silvestre and to get him removed from Morocco.

It may, however, be taken for granted that General Berenguer's policy will find support, since it is that of practically the whole country, which only wishes to end the Moroccan trouble with honour and without further rash adventures. At the same time we may look forward to a continual struggle between the juntas and General Berenguer and any Ministry that supports him, and the fact that the High Commissioner is at daggers drawn with a large section of the army unquestionably makes a satisfactory settlement of the Spanish zone infinitely more difficult. It remains to be seen whether any Government will have the strength to dissolve the juntas, whose influence on Spanish politics has been so baneful in the past.

I have, &c.
ESME HOWARD.

[W 11359/353/28] No. 45.

The Marquess Curzon of Kedleston to Sir E. Howard (Madrid).

(No. 571.)

Sir, *Foreign Office, October* 31, 1921.

I HAVE had under consideration the present unsatisfactory situation in regard to the claims against the Spanish Government of British subjects and protégés in Morocco.

2. These claims have hitherto been divided into two categories, viz., commission and non-commission claims. As your Excellency is aware, commission claims are those arising from events prior to the 25th December, 1917, and falling within the terms of reference of the commission appointed by the Makhzen in 1917 to deal with claims arising out of the insurrection of the Kabilas and the repressive measures taken by the Spanish Protectorate since its establishment in the zone. This commission, so far as British claims are concerned, has effected nothing beyond the payment of one small claim put forward by Mr. Bibi Carleton and the offer of totally inadequate sums in two other cases.

3. The position is equally unsatisfactory in regard to non-commission claims arising out of isolated acts of brigandage in respect of robberies committed since the 25th December, 1917, by Spanish troops or insurgents, and claims for the illegal occupation of land or buildings since 1913 by the Spanish military authorities. Some of these latter claims have been outstanding for years, and all efforts to obtain a settlement of them have proved fruitless. Your Excellency will remember that as the result of repeated representations by His Majesty's Government the Spanish Government, on the 25th January last, appointed a special commission to deal with four non-commission claims of the British protégé, Sid-er-Rzini. The amount claimed by Er Rzini was 2,325,930 pesetas, which, in Sir Herbert White's opinion, represents the full and not an exaggerated value of the properties concerned. After prolonged investigation by the special commission the Spanish Government, with many protestations of generosity, eventually offered 200,249 pesetas, 95 centimos, a sum which is obviously quite inacceptable.

4. I feel that it would be futile to enter into a discussion with the Spanish Government in regard to the findings of this commission, which are not only in themselves preposterous, but are based on totally false premises. Experience has shown that nothing can be expected of Spanish commissions, nor in the present case is it likely that the appointment of a mixed commission would lead to a satisfactory issue, since the Spanish members could hardly agree to an acceptable sum after the offer recently made by their Government. It appears, therefore, that the only means of securing a settlement is by recourse to arbitration.

5. His Majesty's Government could claim arbitration, either under the Anglo-Spanish Arbitration Treaty of 1904, which provides for the reference of disputes to The (old) Hague Tribunal, or under article 13 of the Covenant of the League of Nations, in which case reference would lie either to the new Permanent Court of International Justice or to any tribunal agreed upon by the parties.

6. I request that your Excellency will point out to the Spanish Government that, whilst the efforts of the Spanish Government to deal piecemeal with one or two individual claims have resulted in totally inadequate offers of compensation, no efforts whatsoever have been made towards settling the vast majority of these long-standing claims. His Majesty's Government have therefore no alternative but to demand that the whole body of claims, both commission and non-commission, should be referred to arbitration, and they trust that the Spanish Government will agree without delay to this demand.

7. I enclose herewith a memorandum giving full details of all claims of both classes, which will doubtless be of service to your Excellency.

I am, &c.
CURZON OF KEDLESTON.

Enclosure in No. 45.

CLAIMS OF BRITISH SUBJECTS AND PROTÉGÉS AGAINST THE SPANISH PROTECTORATE GOVERNMENT.

Memorandum by Mr. C. R. B. Atkinson, late His Britannic Majesty's Vice-Consul at Tetuan, September 28, 1921.

(A.)—"COMMISSION" CLAIMS.

1. *Sid Abdelqader-er-Rzini.*

Nature of Claim.—

(*a.*) Destruction of houses.
(*b.*) Destruction of fruit trees and crops.
(*c.*) Claim for loss of crops in succeeding years owing to state of country impeding cultivation or owing to looting of said crops by Spanish troops or insurgents.
(*d.*) Looting of cattle by Spanish or Raisulist troops.

Amount of Claim: 315,000 pesetas Hassani.

Compromise.—This must vary according as to whether we accept the Spanish contentions that:—

(*a.*) They are not bound to indemnify, but only to compensate. A contention not borne out by the wording of their own dahirs.
(*b.*) That they are not liable for more than one year's loss of crops. This we cannot admit.

The house valuations are absurdly low, while the valuation of the crops appears to be about right if the areas alleged to have been cultivated are more or less accurate. Assuming that we resist the Spanish contentions (*a*) and (*b*) with success, we should not accept any offer which falls short of the sum claimed by more than 20 per cent. Otherwise we should insist on crop valuations being paid in full and houses revalued; this is necessary in view of obvious under-valuation of damage done, which is clearly shown by the photographs contained in Sir H. White's No. 48 of the 28th January, 1920. The excuse for insisting on this can be the excessive haste with which valuations had to be made owing to the insufficient time limit allowed by the dahir creating the commission.

2. *Sid Allal-el-Khatib.*

Nature of Claim.—

(*a.*) Destruction of houses.
(*b.*) Destruction of fruit trees and crops.
(*c.*) Claim for loss of crops in succeeding years owing to state of country impeding cultivation or owing to looting of said crops by Spanish troops or insurgents.

Amount of Claim: 147,817 pesetas Hassani, 44,508 pesetas Spanish.

Amount Awarded.—Claimant has been pressed to accept 15,540 pesetas Hassani, *i.e.*, about 8 per cent. on total claim. This award has not been notified to His Majesty's vice-consul by the Spanish authorities, nor has the claimant accepted it. Details have been asked for from Claims Commission.

Compromise.—Sir H. White's despatch No. 307 of the 23rd July, 1921, contains a reduced statement based on standards of appreciation alleged by Spanish authorities to be used by them in deciding on claims. This gives 25,308 pesetas Spanish, and 27,739·25 pesetas Hassani. If the Protectorate Government admit liability for more than one year's crops, the amount in Hassani currency would have to be multiplied by three.

Therefore result would be roughly:—

25,308 pesetas Spanish
83,217·75 pesetas Hassani.

Very drastic cuts, varying from 50 to 75 per cent., have been made in crop valuations for fear that the area said to have been cultivated may not be of size alleged, or perhaps may not be susceptible of cultivation.

For full details of claim, see Tetuan despatch No. 75 of the 24th May, 1920, to Tangier, enclosed in Mr. Kerr's No. 270 of the 14th June, 1920.

3. *Messrs. Isaac and David Cohen.*

Nature of Claim.—

(*a.*) Destruction of houses.
(*b.*) Destruction of fruit trees and crops.
(*c.*) Claim for loss of crops in succeeding years owing to state of country impeding cultivation, or owing to looting of said crops by Spanish troops or insurgents.
(*d.*) Looting of cattle by Spanish or Raisulist troops.

Amount of Claim: 108,640 pesetas Hassani.

Award.—An award amounting to some 6 per cent. has been published, but no notification of it has been made to His Majesty's consul. The commission has been asked to supply a detailed statement.

Acceptable Compromise.—For various reasons set forth in the enclosure to Mr. Kerr's No. 271 of the 14th June, 1920, it may be difficult to sustain this claim as regards the full amount. Unless Messrs. Cohen can produce more satisfactory evidence from their books (and it must be borne in mind that the commission adjudicated on this claim without convoking Messrs. Cohen and giving them a chance to supplement evidence alleged to be insufficient), I think they should be quite content if they get a maximum of 50 per cent. of their claim. The amounts claimed in respect of the various items are reasonable on the whole. The difficulty lies in the failure of Messrs. Cohen to produce evidence such as would satisfy any commission as to the actual loss in respect of each item, especially cattle; they very probably did suffer these losses, or at least a respectable percentage thereof.

Acceptable compromise: 54,320 pesetas Hassani.

4. *Six Minor Claims.*

Six minor claims for cattle robbery, mainly in the international zone. These claims, though obviously arising out of "isolated acts of brigandage," and thus not properly falling within the purview of the Claims Commission, were arbitrarily transferred to it in order to save the face of the then Secretary-General, Señor Pla (see enclosure to Sir H. White's despatch No. 20 of the 20th January, 1921, where it is suggested that this change of "venue" be not accepted).

(i.) *Hadj Mohammad Wuld-el-Hadj Abdeselam Souani.*

Five mares and foals stolen. No value stated.

Acceptable Award.—Not less than 100 dollars Hassani per mare, and 40 per foal, *i.e.*, 700 dollars Hassani.

(ii.) *Taher-ben-Abdeselam Souani.*

Two mares, one in foal.
Claim: 275 dollars Hassani.
Acceptable Compromise: 200 dollars Hassani.

(iii.) *Hadj Mokhtar Souani.*

Two mares.
Claim: 250 dollars Hassani.
Acceptable Compromise: 200 dollars Hassaai.

(iv.) *Abdullah-el-Amarti.*

(*a.*) One mare and foal.
(*b.*) One mule.
(*c.*) One cow.
(*d.*) Two calves.

Claim: No sum stated.

Acceptable Award:—

(*a.*) 140 dollars Hassani.
(*b.*) 100 dollars Hassani.
(*c.*) 80 dollars Hassani.
(*d.*) 80 dollars Hassani. (40 dollars each.)

(v.) *I. A. Abensur.*

Thirteen cattle stolen, of which four subsequently redeemed for 170 dollars Hassani.

Claim is therefore for:—

(*a.*) 170 dollars Hassani.
(*b.*) Nine head of cattle.

Claim.—No sum stated.

Acceptable Award:—

(*a.*) 170 dollars Hassani.
(*b.*) Nine head of cattle at not less than 80 dollars, *i.e.*, 720 dollars Hassani.

(vi.) *Mr. E. P. Carleton (deceased).*

(*a.*) Seventy-seven head of cattle; and
(*b.*) 100 sheep stolen in Beni Hassan in 1913.

Claim.—(*a.*) Mr. Carleton originally in 1913 claimed 1,552 dollars Hassani, but in view of 8 years' delay and rise in prices, considered that he was entitled to more, and put in fresh claim for 3,100 dollars Hassani and compensation for loss of profit.

Acceptable Compromise.—It will, I am afraid, be found impossible to obtain the higher sum and increment. An effort should be made at least as regards the former, as the higher sum claimed only represents about 43 dollars Hassani per head, which bears no relation to prices current in the last two or three years. Failing that, we should insist on the lower figure being paid in full.

Claim.—(*b.*) Original claim 400 dollars, subsequently amended to 700 dollars Hassani.

Compromise.—See (*a*).

(B.)—Non-Commission Claims.

1. *Sid Abdelqader-er-Rzini.*

(a.) *Cattle and Horse Robbery*, 1917.

Details.—Seventeen cows and one horse stolen by Raisulists from vicinity of Spanish post at Tetuan port (Rio Martin) in June 1917.

Sum Claimed: 70 dollars Hassani per head and interest at 7 per cent. from 191 to 1921.

Total: 6,300 pesetas Hassani capital.
1,965 pesetas Hassani interest at 7 per cent.

8,265

Acceptable Compromise.—The Treasury having decided that compound interest or increment should properly be recoverable in cases such as this, and the capital value claimed being most moderate, the claimant should obtain the full amount. It is suggested that a 20 per cent. reduction be accepted to effect a settlement provided interest is paid. If that is found impossible of attainment, I see no reason why any reduction should be accepted.

Reduced total: 6,612 pesetas Hassani.

(b.) *Ghersats-el-Merra.*

Nature of Claim.—The Ghersats-el-Merra was a garden surrounded by a wall and hedge, having a frontage on the main road and lying just behind the Er Rzini Barracks, and consequently a few yards outside the "ensanche" or new quarter of Tetuan.

The claim is in respect of the destruction of this garden, its walls, hedge and trees, loss of crops for eight years, and also for expropriation, seeing that it is crossed by two roads at least, is covered with rubbish and generally unfit for its original or any use as things are at present.

Sum Claimed.—

3,291 metres approximate at 40 pesetas Spanish ... 131,640 pesetas Spanish.
Damage and loss of crops for eight years ... 3,140 pesetas Hassani.

Acceptable Compromise.—Forty pesetas Spanish was admittedly a bargaining price. The land is, in view of its frontage on the main road, certainly worth 15 pesetas at present. The Spanish will attempt to evade expropriation. If we accept their point of view it must only be after they have bound themselves to recognise that they have no rights of way over the land, that it be officially delimited by them with the co-operation of the claimant and His Majesty's vice-consul, and that before the immatriculation takes place the official plans are submitted to the claimant through His Majesty's vice-consul, and the former's concurrence obtained. This should only be done as a last resort, as expropriation would suit the interests of our protégé better. The claim of 80 pesetas per annum for loss of crops is moderate. A 10 per cent. reduction by way of "luck money" might be conceded.

Thus reduced totals will be: 49,365 pesetas Spanish, 2,826 pesetas Hassani.

(Reference: Sir Herbert White's despatch No. 259 of the 19th November, 1919.)

(c.) *Ras-el-Qarawar.*

Nature of Claim.—This property lies above the new quarter. It has been encroached on at varying periods from 1913 onwards by Spanish cemeteries, barracks and officers' quarters. The latest encroachment took place in 1921, though the late Secretary-General, Señor Pla, had specifically promised that the rest of the land should be respected. The claim is for total expropriation at 20 pesetas Spanish per square metre, and rent for the last eight years carrying interest at 7 per cent.

Thus totals will be:—

20,000 square metres (approximate) at 20 pesetas Spanish ...	400,000
Rent, 1,500 pesetas Spanish during eight years	12,000
Interest on rent	3,780
	415,780

Acceptable Compromise.—The land is very well situated, and 5 pesetas per metre was paid some years ago to unprotected natives for similar ground (see Tetuan despatch No. enclosed in Sir H. White's No. , W. . . . .); the land which forms the subject of this claim should therefore be worth from 8 to 10 pesetas per square metre.

The rent and interest do not admit of modification.

Reduced totals:—

At 10 pesetas Spanish per square metre...	200,000 pesetas Spanish.
Rent and interest	15,780 ,,
	215,780 ,,

N.B.—The question of the area should be most carefully gone into. It may well be more than my rough calculations made it out to be.

The Spaniards will allege, and with a certain amount of reason, that the old cemetery of 1860 planted by them on this land reduces the value of such part thereof as lies behind it. No claim has been made in respect of the area covered by this cemetery—a fact which should be borne in mind by us, as Moorish law knows no Statute of Limitations. If the Spanish authorities object that no claim was made in respect of the cemetery, we can point out that we are not debarred from doing so by any law and can claim credit for our forbearance.

(d.) *Rio Martin Road and Railway Claim.*

Nature of Claim.—This is a claim for land taken for the construction of a road and a military railway from Tetuan to Rio Martin. Consent to the work being done was obtained from landowners on the distinct understanding that the question of compensation would be studied later.

The argument that any benefit has accrued to owners from improved communications should not be admitted, as a perfectly serviceable native road existed almost side by side with the new one.

Sum Claimed.—

1. Five pesetas per metre for land lying within the kilometre zone.
2. One peseta per metre for land lying outside that zone.
3. A rent carrying interest at 7 per cent. for last eight years.

Compromise.—This must depend largely on the amount of land taken and its quality at the different places.

Land lying near the town has been sold at sums as high as 7 pesetas per square metre.

As regards lands outside the kilometre zone, it should always be remembered that Spanish subjects have received 50 centimos per square metre for inferior land situate from 8–13 kilom. from Tetuan.

(e.) *Ceuta–Tetuan Railway Station.*

Nature of Claim.—Land seized in 1916 in contravention of Act of Algeciras for the construction of the above station.

Area seized: 4,231 square metres (approximately).

Sum Claimed.—

4,231 square metres (approximately) at 5 pesetas Spanish	21,155	pesetas Spanish.
Rent since 1916 at 500 pesetas Spanish per annum...	2,500	,,
Interest at 7 per cent. on rent... ...	210	,,
	23,865	,,

Compromise.—The sum claimed represents barely, if at all, the value of this site, which lies just below the town walls and was always a valuable area, being mainly used for intensive market gardening in preoccupation days. A reduction of 10 per cent. "luck-money" might be conceded.

Reduced total: 21,478·5 pesetas Spanish.

(e.) *Ceuta–Tetuan Railway.*

Nature of Claim.—Seizure, in contravention of Act of Algeciras, of land for the construction of the railway in the neighbourhood of Tetuan. The Spaniards have made an insufficient offer of compensation in respect of 3,247 metres, the rest, which lies further out, being disregarded.

Sum Claimed.—

1. 3,247 square metres at 5 pesetas Spanish	16,235	pesetas Spanish.
2. Rent since 1916 at 400 pesetas Spanish per annum	2,000	,,
3. Interest at 7 per cent. on No. 2 since 1916	168	,,
	18,403	,,

Compromise.—We might consent to a reduction of 20 per cent., as this land lies further out than that involved in preceding claim. It must be remembered, however, that land has changed hands in the near vicinity at 5 pesetas Spanish per square metre.

Reduced total, 14,722 pesetas Spanish.

NOTE.—The land not included in the Spanish offer is claimed for at the rate of 5 pesetas Spanish if within the kilometre zone, 1 peseta Spanish if outside the kilometre zone. Its area remains to be determined.

Compromise.—This must depend on amount of land taken, its quality and exact situation.

(f.) *Ceuta–Tetuan Road Claim.*

Nature of Claim.—

1. 515 metres (approximate) taken just outside the Bab-el-Oqla and Bab-es-Saida gates for the deviation of the Ceuta–Tetuan road.
2. Building materials stolen from the property and used in the construction of the road.

Sum Claimed.—

(*a.*) 515 square metres at 10 pesetas Spanish ...	5,150	pesetas Spanish.
(*b.*) Rent at 125 pesetas Spanish for eight years	1,000	,,
(*c.*) 7 per cent. interest, compound	90·5	,,
	6,240·5	,,

(*d.*) Compensation in respect of stolen building materials.

Compromise.—

(*a.*) Reduce by 50 per cent.

(*b*) and (*c.*) Waive the question of rent and interest as a favour, as it is insignificant, and, after all, the road is an improvement in its present situation.

(*d.*) Waive this, too, finally. It will be difficult to estimate the value of what was stolen.

Reduced total: 2,575 pesetas Spanish.

(g.) *Burning of Crops Claim*, 1918.

Nature of Claim—Crops burnt by ashes thrown from Spanish military railway. The claim was admitted and an insignificant offer of compensation made.

Sum Claimed.—

Capital	5,640	pesetas Hassani.
Interest	1,274	,,
	6,914	,,

Compromise.—This must depend upon whether the Spaniards can convince us that our claimant's valuation, fixed by official experts, is erroneous. They have failed to adduce any proof so far in support of their verbal statements *re* the alleged exaggeration.

For selling prices of cereals, see enclosures to Commission Claims (W . . . .).

A small reduction, say 10 per cent., might be admitted provided the Spaniards can produce no proof of exaggeration.

Reduced total: 6,222·6 pesetas Hassani.

(h.) *Beni Salah (Kitsan) Fruit Robbery, &c.*, 1919.

Nature of Claim.—Robbery of fruit crops, destruction of gate and irrigation conduit by native troops and loss of rent of pasture land owing to state of insecurity in Kitsan Valley consequent on the fighting in March 1919.

Sum Claimed.—

Capital	3,075	pesetas Hassani.
Interest at 7 per cent., compound, for two years	445	,,
	3,520	,,

Compromise.—This claim is so amply supported by the evidence that I see no reason why any compromise should be resorted to. A 10 per cent. reduction for cash might be admitted.

Reduced total: 3,168 pesetas Hassani.

(i.) *Cattle Robbery*, 1913.

Nature of Claim.—Robbery of 80 head of cattle and 110 sheep by Spanish native troops under Gemeral Berenguer, the present High Commissioner, in 1913. The capital sum has been paid, but the question of increment remains.

Sum Claimed: Increment of eight years at 1,940 dollars Hassani per annum, 77,600 pesetas Hassani.

Compromise.—The Treasury consider that there is no objection to claiming for increment. His Majesty's Ambassador at Madrid, however, is much opposed to this. The calculations of increment were, however, expressly understated at the behest of the claimant. Failing increment, I suggest substitution on the capital sum of 7 per cent. compound interest for eight years, *i.e.*, 15,162 pesetas Hassani. The capital sum agreed on in 1913 and paid finally in 1920 was 23,300 pesetas Hassani.

It should be noted that with the rise in prices and the abysmal drop in Hassani it is quite impossible for our protégé to replace the initial number of animals lost out of the capital sum and the interest alone.

Reduced total: 15,162 pesetas Hassani.

N.B.—We should only fall back on this compromise as a very last resort.

(j.) *Aidwa Fire and Destruction of Fruit Gardens called "Del Mulats" and "Del Nish-shar,"* 1919.

Nature of Claim.—Burning of trees and crops by Spanish agents or soldiers to destroy cover in view of threatened advance of Riffians.

Sum Claimed.—

Capital	4,700	pesetas Hassani.
1920 and 1921 crops at 76 dollars ...	760	„
	5,460	

Only the damage in the first fruit garden could be estimated owing to the state of insecurity in the district, and this point should be remembered when discussion starts.

Compromise.—The Spanish authorities will fight this claim on the mendacious excuse that the fires were the result of accident. It will be hard to contest this, as our evidence cannot be produced. It might therefore be advisable to be prepared to drop this claim finally and use the credit claimed for pushing others.

(Reference: For full details regarding the above claims see enclosures to Sir H. White's despatch No. 259 of the 19th November, 1919.)

(k.) *Bouzaghlal Cattle Robbery*, 1919.

Nature of Claim.—This claim is for the value of twenty-three head of cattle, one mare and foal, poultry, grain, kif and charcoal, stolen by Spanish peninsular and native troops from the vicinity of Rincon camp when setting out to take over territory at the Kuf, some 7 kilom. from Rincon, the inhabitants of which had agreed to submit. No fighting of any kind took place.

Sum Claimed: 10,085 pesetas Spanish and increment at the rate of 20 per cent., as the cows, which formed the majority of the herd, were in calf; *i.e.*, 4,000 pesetas Spanish, making a total of 14,085 pesetas Spanish. For exact details see Mr. Atkinson's despatch No. 156 of the 26th October, No. 157 of the 1st November, and No. 160 of the 7th November, 1919.

Compromise.—According to the high prices cattle were fetching in 1919 the sums claimed, while good, are not exaggerated. A reduction of 20 per cent. might be admitted on the capital value of the whole claim if, of course, the claimant proves that he lost the number of animals, &c., stated. The Spaniards have not attempted to interrogate the herdsmen during the last two years, though invited to, so that they must not be allowed to be too inquisitorial when finally brought to book.

Increments ought to stand at 20 per cent. in view of the state of the cows.

Reduced total—

Capital value...	8,068	pesetas Spanish.
Increment	3,227	„
	11,295	

(l.) *Bouzaghlal Cattle Robbery* (*No.* 2), 1920.

Nature of Claim.—Four ploughing oxen stolen by marauding tribesmen from the unsubmitted territories. It is believed that the animals were taken to Sheshawan, at that time still unoccupied, and there disposed of.

Sum Claimed: 2,000 pesetas Spanish.

Compromise.—Ploughing oxen are a bigger breed altogether than other cattle, and are quite worth the sum demanded. It is suggested that a 10 per cent. reduction be admitted merely by way of a favour.

Reduced total: 1,800 pesetas Spanish.

(m.) *Kitsan Fruit Robbery* (*No.* 2), 1919–20.

Nature of Claim.—Stripping of orange plantations by native soldiers from Spanish positions in the Kitsan valley or by native soldiers on patrol.

Sum Claimed: 3,830 pesetas Spanish.

Compromise.—Any reduction made must be quite arbitrary, as the claim is supported by the fullest evidence. The usual 10 per cent. luck-penny might be allowed.

(n.) *Dar-ben-Qarrish Crops*, 1918–20.

Nature of Claim.—For loss of crops based on prices current for cereals and area of estate illegally held and ploughed by Raisuli from 1913 till 1920, the date of the capture of the place by the Spaniards. A claim for losses from 1913 to 1917 has been presented to the Claims Commission. It should be remembered that Raisuli was in alliance with the Spaniards up till 1919.

Sum Claimed: 49,925 pesetas Hassani.

Compromise.—Reduce by one-third to allow for expenses of cultivation, wages, unforeseen losses, &c.

Reduced total: 33,283 pesetas Hassani.

All the above is, of course, subject to the claimant's being able to show that the area of his estate is as described on his documents, and that it could consequently have produced the amount claimed.

(Reference: (*k*) to (*n*) see Sir H. White's No. 20 of the 20th January, 1921.)

2. *Sid Allal-el-Khatib.*

(a.) *Sidi Bou Hajil or Kitsan Position Claim.*

Nature of Claim.—Seizure of land in 1914 and construction thereon of masonry buildings, since abandoned without notification, some time in 1920.

Sum Claimed: 3,600 pesetas Spanish per annum rent since September 1914, with 7 per cent. interest on arrears.

Compromise.—This claim was put forward to the Claims Commission independently by the claimant in error, as it does not fall within the sphere of that body's activities. I consider it excessive, and would be in favour of reducing it by 75 per cent. I would reduce it still further only the claimant will be at the expense of clearing away the ruins of the fort, &c., and must perforce wait many years before young trees, &c., become productive.

Reduced Total.—

Rent	8,400	pesetas Spanish.
Interest	2,362	„
	10, 762	„

(b.) *Aidwa Fire.*

Nature of Claim.—Destruction by fire in 1919 of a large fruit garden situated in the Aidwa, at the same time as the destruction of Sid Abdelqader-er-Rzini's garden in the same district and under similar circumstances.

Sum Claimed: 12,515 pesetas Hassani.

Compromise.—On the assumption that the expert declarations in support of his demands, submitted by the claimant, are reliable, it appears to me that only a *pro formâ* reduction of, say, 10 per cent. should be admitted.

As in the case of Er Rzini, referred to above, I am afraid we may be obliged to accept the Spaniard's contention that these fires were accidental.

It would be perhaps advisable to drop it after a struggle and use the fact afterwards as an instance of our moderation.

(c.) *Beniunex Water Claim.*

Nature of Claim.—Seizure in 1913, by the Ceuta Water Company, of springs belonging to Sid Allal-el-Khatib and his two partners, Sid Mohammad-er-Requena and Sid M'hammad-el-Mesmodi. The springs now constitute the source of supply of the company, which has a capital of 2,400,000 pesetas, paying 5 per cent. to its shareholders. El Khatib and Co. meanwhile cannot irrigate their land, in the midst of which the springs are.

The case is complicated by the fact that the company is domiciled in Ceuta, which is Spanish sovereign territory, and will do nothing to effect a compromise with our protégé and his partners. The Spanish administration in Tetuan, in spite of all representations, both local and from Madrid, will do nothing to make the company come to terms by compromise or appear before the Moorish tribunal at Tetuan—the only competent tribunal—as Beniunex lies in Moorish territory.

The opinion expressed by His Majesty's Government when the question of the presentation of the general body of our claims at Madrid was under discussion in the winter of 1919–20 was that this claim was rather one which should be decided by a civil action than by diplomacy. Tangier held, however, that it would be better, in view of the pressure which would certainly be exercised on the Native Courts to obtain a verdict adverse to our protégé's interests, or the impossibility of obtaining execution of any judgment against a company domiciled in Spanish sovereign territory, to continue to press it *per viam diplomaticam*.

It should be remembered that the Spanish Administration in Morocco has never, in the course of negotiations, attempted to suggest that the case was not one to be decided by diplomacy.

Sum Claimed.—Either (*a*) one-fifth interest in the future profits of the company and an equivalent sum as regards the past carrying 7 per cent. on arrears; or (*b*) a lump sum which would produce an equivalent interest.

Taking the dividends of the company at 5 per cent. (15 per cent. on the original shares, which have been split into three), the annual dividends paid amount to 120,000 pesetas, so that our protégé and his partners' share would come to 24,000 pesetas per annum.

Compromise.—Though our protégé would prefer an interest in the company, we are more likely to come to terms if we show willingness to accept a lump sum.

In the negotiations, while the Spaniards will make great play of their expenses in installing the works, &c., we may retort by referring to the enormous profits (15 per cent. on original shares) made in the past, and enhanced profits certain to accrue in the future, when the port of Ceuta becomes, as it is bound to do on its completion, an important port of call for steamers wishing to take on coal, oil-fuel and water, all three of which probably, but the latter two certainly, will be able to be supplied more cheaply than at Gibraltar.

To save trouble I should advise the acceptance of a capital sum which would produce (at 6 per cent.) 50 per cent. of the annual participation in the profits claimed—*i.e.*, 200,000 pesetas; that is only 8·5 per cent. of the company's capital, and it can well afford to pay it, if not more.

Reduced total: 200,000 pesetas Spanish.

(d.) *Sania d'Rimel Station* (*Rio Martin–Tetuan Military Railway*).

Nature of Claim.—Compensation for 87·50 square metres of land taken for the station site in 1913, which is about a kilometre from the town, at the rate of 4 pesetas per square metre. Interest at 7 per cent. (compound) on arrears is also claimed.

Sum Claimed.—

Capital	350	pesetas Spanish.
Interest	262·735	,,
	612·735	,,

Compromise.—This is really such a trifling claim that it was only put forward at the instance of the claimant as a protest against the land-grabbing methods of the Spanish Administration. I should be inclined to withdraw it by way of making a *geste gracieux*, provided the larger claims be attended to, but our protest should be registered against such abuses. If it is decided to go on with it, I would be in favour of accepting a reduction of 50 per cent.

Reduced total: 306·368 pesetas Spanish.

(e.) *Bouzaghlal Land Claim.*

Nature of Claim.—Driving of Ceuta–Tetuan Railway through the claimant's property at Bouzaghlal (Rincon) and construction thereon of Rincon station and certain roads. A military post has also been constructed on the land.

Sum Claimed.—Compensation at the rate of 50 centimos Spanish per square metre in respect of all the land except the station site, for which 75 centimos is claimed. Compensation is also claimed in respect of stone, &c., alleged to have been taken for the construction of the railway and station buildings.

Compromise.—Seeing that a Spanish Jew, Abraham Pinto, who owns the other half of Bouzaghlal estate, having acquired it from Sid Allal-el-Khatib's family, has been expropriated at the rate of 50 centimos Spanish per metre, I see no reason why any compromise should be accepted. Pinto's land, moreover, lies at some distance

from the station. It might be as well to reduce the sum claimed per metre for the station site to 50 instead of 75 centimos.

I should be inclined to waive finally, by way of a concession, the claim for the stone stolen.

The Spanish authorities in 1920 suddenly made the statement that the experts appointed by the late Basha Torres in 1916, when the railway was made, had declared to him, and that he had reported consequently, that the estate was Makhzen or Government land, and that therefore no claim lay. The claimant and I interviewed the Basha, who denied having any knowledge of such action, and furthermore stated that he knew well that Sid Allal was the owner of the property. This conversation was confirmed by the claimant in a letter to the Basha.

At any rate, the claimant's documents are in order, and inversely, if his land is Makhzen, then Pinto's must be also, yet he was paid without hesitation.

The area seized has yet to be determined.

(f.) *Merra Land Claim.*

Nature of Claim.—Seizure in 1917 of spring and land at Merra, situated about 200 yards outside the new quarter of Tetuan, by the Spanish military authorities. A drinking place for horses, &c., has been installed and an ornamental garden has been constructed on the site.

Claim.—

(*a.*) 5 pesetas per metre for land occupied, the area of which has to be determined.

(*b.*) Compensation for the loss of the water, whereby the value of the remaining land has been adversely affected.

(*c.*) Rent, with 7 per cent. compound interest, since the occupation of the land to date of settlement.

(*b*) and (*c*) are to be fixed by discussion.

Compromise.—

(*a.*) None in equity. The land had a frontage on the main road and was bound to have developed as a building site. That frontage, I understand, has now been lost. I suggest 4 pesetas per square metre be accepted.

(*b*) and (*c*). Propose to lump these together and take 500 pesetas per annum with 7 per cent. compound interest on arrears.

(Reference to all above claims of El Khatib is Sir H. White's No. 259 of the 19th November, 1921.)

(g.) *Wad Aghdats Property.*

Nature of Claim.—Loss of crops from the estate for 1918, 1919 and 1920, owing to impossibility of cultivating same on account of disturbed state of country. A claim for the loss of crops from 1913–1917 was presented to the Claims Commission. Wad Ras having been pacified at the end of 1919, no further claim, of course, is made.

Sum Claimed.—Two years' loss of crops at 1,400 pesetas Hassani. Total, 2,400 pesetas Hassani.

Compromise.—This is the rate claimed for, based on the prices ruling in 1913. It is therefore apparently far less a sum than that which the prices prevailing in subsequent years would have warranted our client's demanding.

If the principle of the Makhzen's liability for losses owing to its failure to maintain order be upheld by us now as in the past, this claim of course will be a good one. A reduction of one-third might be admitted, on the grounds of expenses of cultivation, &c.

Reduced total: 1,863 pesetas Hassani.

(Reference: Sir H. White, No. 20 of the 25th January, 1921.)

3. *Gillali Bennis and . Benchiton.*

Nature of Robbery.—Two mules and thirteen oxen and cows robbed in February 1918 near Alksar, the former from Bennis and the latter from Benchiton. The two mules were subsequently ransomed for 100 dollars Hassani. Therobbery was committed by dissident tribesmen raiding in pacified territory.

Sum Claimed.—

(*a.*) 500 pesetas Hassani.
(*b.*) 3,575 „

4,075 „

No claim for interest or increment was put forward in 1919, when the memoranda contained in Sir H. White's despatch No. 259 of the 19th November, 1919, were sent to the Foreign Office. It is a question whether the usual claim for interest, at least, should not be put in.

Compromise.—On the assumption that the claim be proven, I would suggest no reduction as regards (*a*), and as regards (*b*) from 10 to 20 per cent., according as it is decided to charge interest or not.

Reduced total (without interest) :—

(*a.*) 500 pesetas Hassani.
(*b.*) 3,217·5 „

3,717·5 „

(Reference : Sir H. White's No. 259 of the 19th November, 1919.)

4. *G. F. Moore.*

Nature of Claim.—Horse with saddlery, &c., stolen from Tangier in August 1918 by Raisulists and taken to Raisuli's camp, where it was identified subsequently by an emissary of the Basha of Tangier. The Spanish authorities, who were still in alliance with Raisuli, though appealed to, made no attempt to recover the animal and property.

Claim.—

(*a.*) Value of horse ... ... 1,500 pesetas Spanish.
(*b.*) Saddle, bridle, &c.... ... ... 250 „
(*c.*) Hire of substitute at 150 pesetas per month to date—September 1918 to September 1921 ... ... 5,400 „

7,150 „

Compromise.—

(*a.*) None in equity, as the owner had refused an offer of 1,500 pesetas made him a few days before the robbery by a Raisulist agent engaged in buying horses on his chief's behalf. I suggest a small reduction of, say, 10 per cent.
(*b.*) 10 per cent. reduction merely to effect a settlement.
(*c.*) Substitute compound interest at 7 per cent. Mr. Moore, no doubt, thought that the claim would have been settled long ago, and has, in all probability, purchased a new horse.

Reduced totals :—

(*a.*) ... ... 1,350·00 pesetas Spanish.
(*b.*) ... ... 225·00 „

1,575·00 „

(*c.*) Interest at 7 per cent. compound on above for three years on (*a*) and (*b*) 236·50 „

General reduced total ... ... 1,811·50 „

(Reference : Sir H. White's No. 259 of the 19th November, 1919.)

5. *J. Brooks.*

Nature of Claim.—Three mules stolen from Mr. Brooks's stables in Tangier by robbers from the Spanish zone in February 1919, and subsequently ransomed by a payment of 260 dollars Hassani as ransom and 30 dollars Hassani for couriers' fees, rewards. The robbers were subsequently arrested in the Tangier zone and lodged in gaol, where they made a full confession. The Spanish Minister was informed at the time and instructed by Tetuan to verify our statements.

Sum Claimed.—

(*a.*) ... ... 290 dollars, or 1,450 pesetas Hassani.
(*b.*) Interest at 7 per cent. compound as from March 1919, the date of the robbers' arrest and confession (March 1919 to September 1921, *i.e.*, 2½ years) ... 268 „

1,718 „

Compromise.—

(*a.*) None.
(*b.*) Deduct without relinquishing principle of our right to demand it in other cases. Mr. Brooks is a wealthy man, and no doubt has no wish to press for such a trifle.

Reduced total : 1,450 pesetas Hassani.

(Reference : Sir H. White's No. 259 of the 19th November, 1919.)

6. *Martin Consular House.*

Nature of Claim.—Wanton destruction of the old British consular residence at Rio Martin in 1914 by Spanish military engineers. The materials were used subsequently on military buildings at Rio Martin.

Claim.—That the Spanish Government should carry out the obligation assumed by the Makhzen to exchange the old residence at Martin for a house at Tetuan and 10,000 metres of land. The negotiations with the Makhzen had advanced in 1907 to the length of a site having been chosen by the local authorities. Unfortunately the rebellion of Moulai-el-Hafid, occurring soon afterwards, so convulsed the country that nothing further could be done.

Compromise.—We can hardly expect, in view of the value of land at present round Tetuan, that the Spanish authorities should give us 10,000 metres and build a house as well. We should, I think, be content with a far smaller site, and even waive the question of obliging them to build us a house. An expression of regret for their arbitrary and indefensible destruction of our property, the existence of which had been officially notified to them by the then vice-consul, Captain F. S. Ewart, a few months before, should, I think, be enough to make us deal leniently with them. The situation of the old residence in a fever marsh 6 or 7 miles from Tetuan, was hopeless from a consular point of view, and the house had not been inhabited in a continuous manner for years.

(Reference : Sir H. White's No. 259 of the 19th November, 1919.)

7. *Jacob Jonas Cohen.*

Nature of Claim.—Claim in respect of a consignment of 250 kilog. of nails delivered in August 1918 by Mr. Cohen to a muleteer of Sheshawan for delivery at Mequinez. The muleteer, who received also 100 pesetas for expenses, sold the nails at Sheshawan, and has taken up his residence there ever since.

Sum Claimed.—

(*a.*) 3,000 fr. (250 kilog. at 12 fr. per kilogramme).
(*b.*) 100 pesetas Hassani.
(*c.*) Interest at 7 per cent. compound from June 1919 to September 1921.

Total.—

(*a.*) 3,000·00 fr. (*b.*) 100 pesetas Hassani.
(*c.*) 494·78 fr.

3,494·78 fr.

Compromise.—Mr. Cohen, in my opinion, deserves what he got for sending goods in such a way without exacting reasonable guarantees. I should be inclined to drop the question of interest and accept 50 per cent. of the capital sums claimed. Had the Spaniards made any attempt to deal with this claim when it was presented to them I would be in favour of dropping it. There is nothing to prevent them arresting the muleteer and recovering as much of the value of the property from him as may be possible now that Sheshawan has been occupied.

Reduced total.—

(*a.*) 1,500 fr.
(*b.*) 50 pesetas Hassani.
(*c.*) Omit.

(Reference: Sir H. White's No. 259 of the 19th November, 1919.)

8. *Sid-el-Hadj-el-Mehdi-el-Menebhi.*

Claim.—Denabou cattle robbery.

Nature.—Robbery of 74 head of cattle (63 cows in calf, 10 bulls, 1 calf) from Denabou farm, near Tangier, by robbers from Beni M'Sawwar and Anjera. Sixty cows were finally recovered, partly gratis, thanks to the intervention of Raisuli, and partly on payment of ransom.

Total.—

(*a.*) Ransom paid to Anjera	550	dollars	Hassani.
(*b.*) Mule hire at 1½ dollars per 17 days ...	25½	„	„
(*c.*) Rewards to informers and Wad Ras tribesmen who brought back the animals	230	„	„
(*d.*) Value of 2 missing and 1 slaughtered cow at 80 dollars a head	240	„	„
	1,045½	„	„
Or ...	5,227·50	pesetas	„
(*e.*) Interest at 7 per cent. compound since January 1919, *i.e.*, 2⅔ years	1,032·70	„	„
Total	6,260·20	„	„

Compromise.—When Anjera surrendered in April 1919 this claim was again brought to the notice of the Spanish authorities, who were informed of the name of the ringleader of the robbers. They could have arrested him and made him disgorge, but preferred to do nothing.

I would suggest a 20 per cent. compromise to effect a settlement, especially as the cattle were nearly all recovered and loss of increment reduced to a minimum.

Reduced total: 5,208·16 pesetas Hassani.

(Reference: Sir H. White's No. 259 of the 19th November, 1919.)

9. *Messrs. Isaac and David Cohen.*

(*a.*) *Ceuta–Tetuan Railway.*

Nature of Claim.—Seizure of land for the construction of Tetuan Station Esplanade and road giving access to, as well as other land taken for the railway itself in the vicinity of the town.

Sums Claimed.—

(*a.*) In respect of station and road, about 2,000 metres at 20 pesetas, *i.e.*	40,000	pesetas	Spanish.
(*b.*) El Tagoobi property, 356 square metres at 7·50 pesetas Spanish, *i.e.*	2,670	„	„
(*c.*) Ona del Hamam property, 1,697 square metres at 2 pesetas Spanish	3,394	„	„
(*d.*) Interest at 7 per cent. compound since the date of the seizure of the various pieces of land.			

Total: 46,064 pesetas Spanish, plus interest at 7 per cent. compound as from date of seizure of properties.

Compromise.—

(*a.*) Messrs. Cohen base their claim to 20 pesetas Spanish per metre on an offer made them by a local merchant in 1915. The site is an excellent one, and the purchase price per metre in April 1913 was at the rate of 4·04 pesetas Spanish. I suggest, in the last resort, a sum be accepted equivalent to the purchase price plus 7 per cent. compound interest as from 1916, when work on the station area began. Thus—

2,000 square metres (approximate) at 4·04 = ...	8,080	pesetas	Spanish.
Interest at 7 per cent. compound (5⅔ years) ...	3,773	„	„
	11,853	„	„

It should be noted that I consider this an irreducible minimum, and think Messrs. Cohen quite entitled to 8 to 10 pesetas and interest in respect of the illegal seizure of their property.

(Reference: Sir H. White's No. 259 of the 19th November, 1919.)

(*b.*) Reduce to 4 pesetas; 7·50 was a bargaining price—

356 square metres at 4 pesetas Spanish ... 1,424 pesetas Spanish.

(*c.*) Reduce to 1 peseta. The land was a fruit garden, and, on the analogy of Spanish expropriation of bare land at Malalien at rate of 50 centimos, 8 kilom. from Tetuan, belonging to a Spanish functionary, should be worth quite 1 peseta. Thus—

1,697 metres at 1 peseta ... ... 1,697 pesetas Spanish.

(*d.*) Waive interest; Messrs. Cohen are a wealthy firm. The claim for interest is more in the nature of a protest at the high-handed seizure of their property than anything else.

Reduced total: 14,974 pesetas Spanish.

(Reference: Sir H. White's No. 259 of the 19th November, 1919.)

(b.) *Cattle Robbery*, 1917.

Nature of Claim.—Robbery of cattle from Rio Martin in 1917. The cattle were under the care of Sid Abdelqader-er-Rzini's herdsmen and were stolen at the same time as his.

Sum Claimed.—

(*a.*) 16 head of cattle at 600 pesetas ...	9,600	pesetas Spanish.
(*b.*) Interest at 7 per cent. compound from date of robbery	2,975	„
Total	12,575	„

Compromise.—This claim, though obviously attributable to an isolated act of brigandage, was included by Messrs. Cohen in their list of claims presented to the Claims Commission. This was done during my absence. I had always treated the claim as strictly non-commission. The Claims Commission having published an award of about 6 per cent. on the total claimed by Messrs. Cohen, it is more than probable that that body has thrown this particular item out. It should therefore be pressed as a non-commission claim. A supplementary claim for five calves in the statement as submitted to the Claims Commission by Messrs. Cohen, but not mentioned to me at the date of the robbery, cannot be supported in my opinion.

Unless Messrs. Cohen can produce convincing evidence of the superior value of their animals I suggest that a similar sum proportionately to their number be accepted, as in the case of the Er Rzini cattle stolen the same night. Thus—

Reduced total.—

16 head of cattle at 280 pesetas Hassani ...	4,480	pesetas	Hassani.
Interest for four years at 7 per cent. compound ...	1,392	„	„
Total	5,872	„	„

NOTE.—This is a claim in which, as in others of a similar nature, increments or interest should most certainly be pressed for. Nothing but the realisation of the offence which would be given to the Spaniards prevented my authorising the claimants to treat direct with Raisuli for the ransom of the animals at the date of the robbery.

10. *Mr. Lewis Forde.*

Nature of Claim.—Occupation and utilisation of land by Laraiche – Alcazar Military Railway in 1914.

Sum Claimed.—

(a.) *First piece of Land.*—

	Value.		
(1.) Occupied by line: 3,197 square metres at 8 pesetas Spanish	25,576·00	pesetas	Spanish
(2.) Inutilisation: 9,123 square metres at 8 pesetas Spanish	72,984·00	„	„

(b.) *Second piece of Land.*—

	Value
Occupied by line: 612 square metres at 3 pesetas Spanish	1,838·24 pesetas Spanish
Total	100,398·24 ,,

Interest is further claimed at 7 per cent. compound as from the 1st November, 1914, date of Mr. Forde's letter to the military engineer authorities at Laraiche, fixing, at the latter's request, the values he attributed to the land taken :—

Interest for seven years at 7 per cent. compound	60,800·46 ,,
Total	161,198·70 ,,

Compromise.—There can be no possible excuse for the failure of the Spaniards to settle this claim for land taken seven years ago in completely peaceful territory. I hold, therefore, that we should hold out inexorably for the payment of interest.

On the assumption that Mr. Forde is able to uphold his contention that any impartial tribunal would award him more than the capital sum claimed, I would be inclined to agree to a 20 per cent. reduction to reach a settlement.

Reduced total: 128,958·97 pesetas Spanish.

(Reference: Sir H. White's despatch No. 20 of the 20th January, 1921.)

(C.)—Special Commission Claims.

Claimant: Sid Abdelqader-er-Rzini.

1. *Berka-ben-Qarrish.*

Nature of Claim.—Land seizure by military authorities in 1913.
Sum Claimed: 12,070 pesetas Spanish
Compromise: 7,940 pesetas Spanish.

2. *Aviation Ground.*

Nature of Claim.—Land seizure by military authorities in 1913.
Sum Claimed: 85,520 pesetas Spanish.
Compromise: 46,520 pesetas Spanish

3. *Ras Aqiba-el-Merra (Er Rzini Barracks).*

Nature of Claim.—Land seizure by military authorities in 1914.
Sum Claimed: 1,201,240 pesetas Spanish.
Compromise: 251,083 pesetas Spanish.

4. *Aghattas-el-Kebir, Er Segheer and Jenan del Hammam.*

Nature of Claim.—Illegal detention and building over land by military authorities since 1915, year in which two years' lease of property expired.
Sum Claimed: 1,027,100 pesetas Spanish.
Compromise: 524,260 pesetas Spanish.

(Reference: Sir H. White's No. 335 of the 13th August, 1921, attached herewith in print.*)

Totals of above four claims.

(a.) Original total: 2,325,930 pesetas Spanish.
(b.) Reduced total: 829,803 pesetas Spanish.

Totals—Commission Claim.

(a.) Original total: 583,532 pesetas Hassani; 44,508 pesetas Spanish.
(b.) Reduced totals: 400,987·75 pesetas Hassani; 25,308 pesetas Spanish.

* See No. 36.

Non Commission Claims.

1. *Er Rzini.*
   (a.) Original totals: 154,824 pesetas Hassani; 619,443 pesetas Spanish.
   (b.) Reduced totals: 66,273 pesetas Hassani; 320,468 pesetas Spanish.

2. *El Khatib.*
   (a.) Original totals: 14,915 pesetas Hassani; 432,268 pesetas Spanish.
   (b.) Reduced totals: 1,863 pesetas Hassani; 210,762 pesetas Spanish.

3. *Isaac and David Cohen.*
   (a.) Original total: 58,639 pesetas Spanish.
   (b.) Reduced total: 14,974 pesetas Spanish; 5,872 pesetas Hassani.

4. *Remainder of Claimants.*
   (a.) Original totals: 12,153 pesetas Hassani; 168,313·71 pesetas Spanish; 3,494·78 fr.
   (b.) Reduced totals: 10,375·50 pesetas Hassani; 130,870·47 pesetas Spanish; 1,550 fr.

General Totals of Three Categories of Claims.

(a.) Original totals: 766,024 pesetas Hassani; 3,649,101·71 pesetas Spanish; 3,494·78 fr.
(b.) Reduced totals: 485,370·75 pesetas Hassani; 1,532,185·47 pesetas Spanish; 1,550 fr.

Value in English currency at approximate present rates of exchange, *i.e.*, 40 pesetas Hassani = 1*l.*; 28 pesetas Spanish = 1*l.*; 50 fr. = 1*l.* :—

	£	s.	d.
Original totals	149,545	11	0
Reduced totals	66,886	12	0

Note.—These totals are necessarily mere approximations. The area of certain lands taken has as yet to be determined. Further, some claimants in respect of minor robberies in the Tangier zone have not stated the value assigned by them to the property lost.

[W 11187/9545/28] No. 46.

Foreign Office to Board of Trade.

Foreign Office, October 31, 1921.

Sir,

WITH reference to the letter from this Department of the 9th ultimo, I am directed by the Marquess Curzon of Kedleston to transmit to you herewith, for the consideration of the Board of Trade, a copy of a telegram from His Majesty's Ambassador at Madrid* regarding the administration of the international lighthouse at Cape Spartel.

2. As the Board are aware, article 2 of the Spartel Lighthouse Convention of 1865 provides that the expenses necessary for the maintenance and administration of the lighthouse shall be defrayed by the contracting parties in equal shares, and that the Sultan of Morocco, if and when he possesses a military or mercantile navy, shall contribute to the expenses in the same proportion as the other signatory Powers.

3. Germany, who was not one of the original contracting States, became a party to the Convention of 1865 by virtue of a declaration signed on the 4th March, 1878, by Great Britain and other Powers, recording the accession of the German Empire to the convention. Articles 118 and 141 of the Treaty of Versailles and the corresponding articles of the Treaty of Saint-Germain operate, however, as a renunciation by Germany and Austria respectively of their rights under the convention. Consequently, from the date when those treaties came into force, the cost of the upkeep of the lighthouse should be automatically redivided equally amongst the remaining contracting Powers. Thus the suggestion of the Spanish Government, reported in the penultimate paragraph

* See No. 41 A.

of Sir Esme Howard's telegram, amounts in substance to a proposal for strict adherence to the terms of the convention.

4. Although the Moorish Government now possess a few vessels flying the Shereefian flag, and would therefore seem entitled, under article 2 of the convention, to contribute to the upkeep of the lighthouse, they would appear to be debarred, under article 1, from participating in the direction and administration of the establishment. Nevertheless, as pointed out by the Spanish Minister for Foreign Affairs, the Makhzen will, in the event of their making a contribution, almost certainly claim to share in the administration, and it will be difficult, if not impossible, to refuse the claim.

5. The proposal of the Moorish Government to pay the German and Austrian shares of the expenses, and presumably to participate in the management of the lighthouse, undoubtedly involves a breach of the convention, but Lord Curzon was ready tacitly to acquiesce therein and thus save the British taxpayer from a fresh burden, albeit a small one. Now that the Spanish Government have raised the question officially, tacit acquiescence in the Moorish proposal becomes impossible and His Majesty's Government must declare their views. His Lordship is disposed to recommend as an equitable arrangement, since it appears that the Makhzen are ready to make a contribution, that the expenses should be shared equally among all the Powers, excluding Germany and Austria and including the Moorish Government, and that the latter should be allowed to participate in the management of the lighthouse on the same footing as the other contributing Governments.

6. Lord Curzon will be glad to learn the views of the Board of Trade on the whole question at an early date.

I am, &c.
G. H. VILLIERS.

[**W 11624/367/41**] No. 47.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received November* 1.)

(No. 702.)

My Lord, *Madrid* (undated).

IN continuation of my despatch No. 672 of the 22nd October, I have the honour to forward herewith further summary of a debate in the Lower House of the Cortes on the Moroccan situation.* The late Minister for War, the Vizconde de Eza, continued his defence of the actions of the Government of which he formed part, but without adding very much to the interest of the debate. Perhaps the most interesting speech of those recorded in this summary is that of the Socialist Deputy Don Indalecio Prieto, who not only criticised severely the action of the Spanish Government and the deficiencies of the army, which had already been done in sufficiently strong language by the Conservative ex-officer Señor Martínez Campos, but in speaking of the responsibility for the disaster of July he more than once referred to the King as being at any rate partially responsible, and stated that, although General Berenguer and the Government did not really approve of the forward policy of General Silvestre, they were yet unable to prevent it, and thus incurred a certain measure of responsibility. The Conservative paper the "Debate" is naturally furious that the King should have been brought into the discussion; but whatever the rights or wrongs of the case may be, there is no doubt that his share of responsibility has been for some time past a general topic of discussion in many quarters.

As your Lordship will observe, the Juntas again came in for a full measure of criticism, and demands were made for their dissolution, to which the Minister of War has replied that so long as they only intervened to defend the just rights of their members, there was nothing to be said against them. But he would have no hesitation in dissolving them if they ever went beyond the limit of their proper sphere of action.

The debate, which, as I have stated in my despatch above referred to, had been looked forward to with intense excitement during the first days and created a storm of comment and criticism in the press, has already begun to weary the easily tired Spanish public. Only two or three days ago it was declared that an immediate Ministerial crisis was probable, because the party of Señor La Cierva insisted on closing the Cortes on account of the danger there was in allowing speeches to be made which criticised the officers

* Not printed.

and the army in the field. Already, however, all question of closing the Cortes seems to be at an end. The position of the Government, if not strengthened, is at least no weaker than it was at the beginning of the debate; and unless I misread the course of events generally, as reported by the press, it would seem that the country is eager to finish with Morocco for the moment, and to pass on to something else. The debate will no doubt be continued for some time longer; it may be galvanised into some form of active life by a resolution which it is said that the Republican leader, Señor Leroux, will propose that Spain should abandon Morocco altogether; but I hardly think that there is likely to be any Ministerial crisis for the moment over this question, and the Liberal papers are already discussing the possibility of a crisis over the proposed railway settlement, with regard to which there are well known to be strong differences of opinion in the Government itself.

I have, &c.
ESME HOWARD.

[**W 11773/11522/28**] No. 48.

The Marquess Curzon of Kedleston to Sir E. Howard (*Madrid*).

(No. 597.)

Sir, *Foreign Office, November* 15, 1921.

I HAVE received your Excellency's despatch No. 714 of the 2nd instant relative to the appointment of Mr. Malcolm Arnold Robertson, C.M.G., as His Majesty's agent and consul-general for the dominions of His Imperial Majesty the Sultan of Morocco; and I enclose herein a copy of a despatch to His Majesty's Ambassador at Paris which will make the position quite clear to your Excellency in regard to Mr. Robertson's appointment as agent and as consul-general in the French zone.*

2. I am somewhat reluctant to adopt your Excellency's suggestion that you should be authorised to discuss privately with the Spanish Minister of State the procedure proposed in regard to Mr. Robertson's appointment as consul-general of the Spanish zone in Morocco. I infer from your Excellency's above-mentioned despatch that there is no reason to apprehend that the Spanish Government will be offended by the procedure proposed, and, indeed, I do not see how they well could be. Nevertheless, a previous consultation will enable them, should they feel inclined to do so, to raise difficulties in regard to the notification to the Sultan of Mr. Robertson's appointment as agent, or possibly to suggest that an exequatur and not provisional recognition should be granted for Mr. Robertson's consular appointment. I think, therefore, that it would be wiser merely to inform the Spanish Government of Mr. Robertson's appointment as agent, adding that His Majesty's Chargé d'Affaires at Tangier is being instructed to apply for his provisional recognition as His Majesty's consul-general of the Spanish zone in Morocco through the Spanish High Commissioner at Tetuan.

3. I request that your Excellency will proceed accordingly.

I am, &c.
CURZON OF KEDLESTON.

[**W 11773/11522/28**] No. 49.

The Marquess Curzon of Kedleston to Mr. Clark Kerr (*Tangier*).

(No. 310.)

Sir, *Foreign Office, November* 15, 1921.

HIS Majesty the King has been pleased to appoint Mr. Malcolm Arnold Robertson, C.M.G., to be His Majesty's agent and consul-general for the dominions of His Imperial Majesty the Sultan of Morocco.

2. As regards Mr. Robertson's appointment as agent, I propose to follow the precedent of Sir H. White's appointment to the same post in 1915. A letter of credence signed by myself has been issued to Mr. Robertson accrediting him to the Sultan of Morocco as agent. I enclose this letter of credence herewith†, together with a copy for your archives, and I request that you will forward it to the French High Commissioner at Rabat and ask him to deliver it to His Majesty the Sultan. You should at the same time request the High Commissioner to take the necessary steps in

* See No. 50.

† Not printed.

order to obtain an exequatur for Mr. Robertson's appointment as His Majesty's consul-general in the French zone in Morocco.

3. You will be aware that as His Majesty's Government have not formally recognised the Spanish protectorate of Morocco it has not been the practice to obtain exequaturs for consular appointments in the Spanish zone, but to ask the Spanish High Commissioner to take steps for the provisional recognition of His Majesty's consular officers as such. Although Mr. Robertson will not reside in the Spanish zone it will be advisable, in order to avoid offending the susceptibilities of the Spanish Government, to follow this practice in the present instance. I request, therefore, that you will communicate to the Spanish High Commissioner at Tetuan in the above sense.

4. The enclosed copies of despatches which I am addressing to His Majesty's Ambassadors at Paris* and Madrid† will, I think, make the position quite clear to you.

I am, &c.
CURZON OF KEDLESTON.

[W 11773/11522/28] No. 50.

The Marquess Curzon of Kedleston to Lord Hardinge (Paris).

(No. 2982.)

My Lord, *Foreign Office, November* 15, 1921.

HIS Majesty the King has been pleased to appoint Mr. Malcolm Arnold Robertson, C.M.G., to be His Majesty's agent and consul-general for the dominions of His Imperial Majesty the Sultan of Morocco.

2. As regards Mr. Robertson's appointment as agent, I propose to follow the precedent of Sir H. White's appointment to the same post in 1915. A letter of credence is being issued to Mr. Robertson accrediting him to the Sultan of Morocco as agent, and this letter, which I have signed myself, will be delivered to the Sultan through the French High Commissioner at Rabat.

3. As regards Mr. Robertson's exequatur as consul-general in the French zone, your Lordship will recollect from my despatch No. 572 of the 23rd February last that it was decided that exequaturs for consular officers appointed in the French zone should be obtained through the French Government in Paris. In the present instance, however, it will obviously be more convenient and expeditious to ask for the exequatur through the same channel and at the same time as the letter of credence is delivered to the Sultan. I am instructing His Majesty's Chargé d'Affaires at Tangier to proceed accordingly.

4. In order to avoid any possibility of misunderstanding, I request that your Lordship will inform the French Government of the above, adding that in accordance with their previous undertaking His Majesty's Government will continue to apply through the French Government in Paris for exequaturs in all other cases of consular appointments in the French zone in Morocco.

5. Should the French Government make any enquiries on the point, your Excellency may inform them that application is being made through the Spanish High Commissioner at Tetuan for Mr. Robertson's provisional recognition as His Majesty's consul-general in the Spanish zone of Morocco.

I am, &c.
CURZON OF KEDLESTON.

[W 12223/12223/28] No. 51.

Mr. Clark Kerr to the Marquess Curzon of Kedleston.—(*Received November* 21.)

(No. 459.)

My Lord, *Tangier, November* 12, 1921.

DURING the year 1913 the general question of the protection of natives of this country resident in the French zone of Morocco formed the subject of correspondence between His Majesty's Government and the French Ambassador in London.‡ In the following year informal negotiations on the subject took place between Sir Herbert White, the French agency and the French Residency-General. These negotiations were prolonged after the outbreak of the war into 1915, when His Majesty's Govern-

* See No. 48. † See No. 50. ‡ See Part 46, Nos. 44, 67, 149 and 188.

ment declared that they would feel embarrassed if they were pressed to go into matters of this kind with the required care and deliberation at a moment when all their energies were necessarily concentrated upon the prosecution of the war, and they expressed the wish that the discussion of the general question of principle might be postponed until a more suitable moment. The matter was accordingly dropped, and, while the French Protectorate authorities have from time to time questioned the grant of semsars' certificates in certain specific cases, they made no attempt during the intervening years to raise the general question of principle.

Shortly before the resignation of Sir Herbert White, however, a note reached this agency from the Resident-General, which does in effect reopen the whole question, and which will entail a general reconsideration of the matter.

I have the honour to enclose herein a copy of this note, in which Marshal Lyautey begins by referring to article 10 of the Madrid Convention of 1880, and the Franco-Moorish Agreement of 1863, known as the "Règlement Béclard," respecting the protection of natives of Morocco in general, and proceeds to give a somewhat *ex parte* interpretation of the text of the latter instrument.

After pointing out that it was in deference to the wish expressed in 1913* by your Lordship's predecessor, Lord Grey of Falloden, that the Makhzen consented to continue to allow to His Majesty's Government a certain latitude in the granting of semsar certificates, the note concludes by stating that if natives, in order to escape the application to themselves of the general law obtaining in the protectorate, continue to seek British protection under conditions which are not in conformity with the rules in force, the Makhzen will be obliged to return to a strict application of the text of the agreement, and to allow no departure therefrom.

Before proceeding to discuss this note in detail, it may be well to make a few observations on the general question of protection as granted in this country by means of semsar certificates, which, since the declaration of the French Protectorate, have been the cause of considerable annoyance to the French authorities. It is natural that the undisguised eagerness of Moorish subjects to obtain British or other protection should be galling to the *amour-propre* of the Protectorate Government, who claim that the civilising influence of their administration has made the system of protection in general an anachronism. That the grant of British protection to natives is resented is shown by the fact that several cases have occurred in which pressure has been exerted by provincial French officials to induce would-be semsars to declare that they have not applied for British protection, and the notes from the Residency-General rejecting certain applications on this score have, as it were, inferred that protection was being proffered where it was not sought, an inference which I had occasion during the summer of 1920 to repudiate with some force, since it has always been the practice of this agency to examine applications for semsarships with the greatest circumspection, and, as far as possible, to restrict the number of certificates issued. So frequent, however, were cases such as these that consular officers in the protectorate were directed, when applications for semsarships were referred to them for enquiry, to obtain from the proposed semsar an acknowledgment in writing that the application was made with his knowledge and consent.

In 1914 the number of certificates issued reached 166, and this year it is 164, so that, although, owing to a searching revision, the number was reduced in 1916 to 147, it cannot seriously be claimed by the protectorate that the system has been abused by this agency.

The first point that arises in connection with the present note is that made in paragraph 5, in which emphasis is laid on the fact that the Béclard Agreement provides that protection may only be enjoyed by brokers employed by merchants in their mercantile transactions, and that this definition excludes mere clients of foreign firms doing business on their own account. There can be no doubt that technically this contention is correct, but its strict application has never been insisted upon, and in the past all powers enjoying capitulatory rights have made a practice of granting certificates to persons who were, in effect, only clients of foreign firms and doing business on their own account. (Reference in this connection might be made to Sir J. Drummond Hay's despatch No. 49 of the 13th June, 1883.) It may therefore be said that this claim on the part of the Resident-General is exaggerated. At the same time, however, it remains to be considered whether, in order to be conciliatory, His Majesty's Government would be disposed to lay down that all future applications for semsarships should be dealt with by a strict application of this particular clause of the Béclard Agreement. I am not inclined to think that British interests would suffer materially.

* See Part 46, No. 67.

The second point in the note is set forth in paragraph 8, which refers to the paragraph of the Béclard Agreement bearing the same number. Here it is contended that a semsar certificate may only be granted to native representatives of firms engaged in export and import trade with this country. A question of some importance arises in connection with the contention here put forward. As quoted by Marshal Lyautey, the text of the paragraph in question runs as follows: " . . . celui qui fait en gros le commerce d'importation et d'exportation. . . .," while in the official text, entitled " Documents diplomatiques: Conférences de Madrid, 1880," published in that year by the " Imprenta Nacional," of Madrid, the words in question read as follows: ". . . . celui qui fait en gros le commerce d'importation ou d'exportation. . . ." At the same time the translation of the agreement to be found on p. 734 of " State Papers, vol. 66, 1874–1875, renders these words, " business on a large scale in both exports and imports."

On the hypothesis, however, that the text on which the Madrid Convention was based was a valid one, it may be claimed that the Resident-General's contention falls to the ground. In any case, it seems to me to be inadmissible now to question a practice which has been hallowed by the passage of many years and invariably accepted by the Makhzen.

The third point in the note (paragraphs 11 to 13) deals with the number of semsars to which a foreign firm is entitled. Here Marshal Lyautey claims that in exceptional circumstances only may the issue of two certificates be granted. This interpretation of paragraph 9 of the Béclard Agreement has never been advanced before, and should not, in my opinion, be admitted. As regards Sir Herbert White's memorandum of the 12th November, 1914, referred to in this connection in paragraph 13 of the note, a marginal minute in his handwriting on a letter from the Resident-General makes it clear that, in cases where a firm already has one semsar and wishes to have a second, the fact should be notified to the Makhzen, and that his intention was that this notification to them was solely to show that the right of that firm to hold semsars was already recognised by the Residency-General.

Paragraphs 15 to 20 of the note deal with the question of the rights of non-resident merchants. It is claimed that firms doing import and export trade with this country must of necessity have either their principal seat or a branch established in Morocco. In this connection I would refer your Lordship to Sir Edward Grey's note to M. Cambon of the 30th June, 1913 (Morocco Print, June 30, Section 3, 27028), in which the attitude of His Majesty's Government is clearly defined, and to Sir Herbert White's despatch No. 52 of the 8th April, 1915, and Foreign Office despatch No. 110 (136765/15) of the 15th September, 1915, which deal with this question. I am strongly of opinion that no departure should be made by His Majesty's Government from the attitude assumed by them in 1913.

Thus it seems to me that of the four points put forward by Marshal Lyautey, there is only one in respect of which His Majesty's Government could well make any concession, that is to say, the first. I presume that the question will be taken up by your Lordship's Department with the French Ambassador in London, and I would venture to suggest that if it be decided to yield this one point to the Protectorate Government, it might be desirable to suggest that in return the French Government should subject to a close scrutiny the whole system of the grant by them of protection to natives of the Tangier zone, where I have reason to understand that no attempt is made, either by the French or the Spanish agencies, to observe the terms of the Madrid Convention. I have been making enquiries on this point, and hope by next bag to be able to furnish your Lordship with some specific instances of deliberate breaches of the agreement in question.

In acknowledging the receipt of the Resident-General's note, I have informed him that the matter has been referred to your Lordship, and I have expressed the hope that, pending a decision on the part of His Majesty's Government, the case mentioned in the last two paragraphs may be dealt with in accordance with the existing practice.

I have, &c.

A. K. CLARK KERR.

Enclosure in No. 51.

Marshal Lyautey to Sir H. White.

M. l'Agent diplomatique, *Rabat, le 12 octobre* 1921.

ME référant à votre lettre du 7 juillet dernier, j'ai l'honneur de vous faire connaître que la question des censaux des maisons de commerce étrangères qui n'ont pas de représentation au Maroc a fait l'objet d'échanges de vues, d'une part, entre les Gouvernements britannique et français, en 1913, et, d'autre part, entre votre agence diplomatique et cette Résidence générale, par l'intermédiaire de l'agence de France à Tanger, dans le courant du second semestre de l'année 1914.

2. Je me permets de vous rappeler ci-après les raisons que la Résidence générale avait fait valoir, à l'époque, pour justifier la manière de voir du Makhzen touchant l'application des textes relatifs à la protection.

3. Le règlement relatif à la protection, arrêté le 19 août 1863 et confirmé par l'article 10 de la Convention de Madrid, expose de la façon la plus nette les conditions dans lesquelles la protection peut être accordée.

4.—(1°) Quels sont les indigènes qui sont susceptibles d'être protégés?

5. Le Règlement Béclard les énumère ainsi: " Les facteurs, courtiers ou agents indigènes employés par les négociants pour leurs affaires de commerce."

6. Vous voudrez bien remarquer, avec moi, que cette énumération précise indique que les négociateurs du règlement entendaient nettement que la protection fût limitée aux agents indigènes employés par les maisons de commerce pour les représenter au Maroc.

7. Cette énumération exclut donc les simples clients des maisons étrangères qui se contentent d'acheter des marchandises et de les revendre pour leur propre compte.

8.—(2°) Quels sont les négociants susceptibles d'obtenir des censaux?

9. Le règlement de 1863 spécifie que la qualité de négociant n'est reconnue qu'à celui qui fait en gros le commerce d'importation et d'exportation, soit en son propre nom, soit comme commissionnaire.

10. Aux termes de ce règlement une maison qui n'effectuerait que des importations ou que des exportations ne serait pas susceptible d'obtenir des censaux.

11.—(3°) Combien de censaux peut obtenir une maison de commerce?

12. Le nombre des courtiers est limité par le règlement à deux par maison de commerce, ce qui implique que ce nombre n'est pas un droit pour ces maisons, ni une obligation pour le Makhzen, mais une faculté laissée à l'appréciation de ce dernier, qui est libre d'accorder ou non le deuxième censal suivant l'importance des affaires traitées.

13. C'est dans cet ordre d'idées qu'il avait été entendu avec votre agence diplomatique que, lorsqu'une maison de commerce non établie au Maroc demanderait une seconde carte de censal, la demande devrait rappeler l'existence du premier censal (*cf.* votre mémorandum du 12 novembre 1914). Cette disposition n'aurait aucune raison d'être si on n'avait entendu par là appeler l'attention sur le fait que l'existence d'un premier protégé rendait nécessaire un examen plus attentif de la nature et du chiffre des affaires traitées au Maroc par la maison demanderesse, afin d'établir si l'attribution d'un second censal était justifiée.

14. De l'exposé qui précède, il résulte:

(1.) Qu'une carte de censal ne peut être attribuée qu'à un représentant indigène employé par un négociant faisant du commerce d'importation et d'exportation; et

(2.) Qu'exceptionnellement une seconde carte peut être attribuée dans les mêmes conditions si elle est justifiée par l'importance des affaires d'importation et d'exportation traitées par ce négociant.

15. Or, pour faire de l'importation et de l'exportation, il va de soi que le négociant doit être établi au Maroc, soit en y possédant son principal établissement, soit en y entretenant une succursale ou un comptoir auxquels sont attachés les agents indigènes qu'il emploie.

16. Le paragraphe 9 du Règlement Béclard stipule, en outre, que, par exception, les maisons de commerce qui ont des comptoirs dans différents ports pourront avoir deux courtiers à chacun de ces comptoirs. Ce texte fait donc bien de l'existence d'un comptoir la condition du droit d'obtenir des censaux.

17. Lors de l'échange de vues de 1913 et 1914, cette Résidence générale n'avait pas manqué de faire valoir les raisons qui précèdent, admettant, cependant, dans un esprit de conciliation bienveillante, que les protections déjà accordées ne seraient pas contestées et s'engageant même à donner satisfaction, dans toute la mesure du possible,

à certaines observations britanniques en solutionnant la difficulté par cas d'espèces, mais en réservant le principe de notre interprétation des textes.

18. Cet esprit de conciliation n'a pu manquer, depuis lors, d'être observé par votre agence diplomatique à l'occasion des nombreux cas d'espèces qui ont été examinés et réglés en faveur des maisons anglaises.

19. C'est ainsi que, pour répondre au désir exprimé, en mars 1913, par Sir Edward Grey de voir maintenir l'usage d'accorder des censaux aux maisons de commerce non établies au Maroc, quelques dérogations à la règle générale ont été admises par le Makhzen, qui a bien voulu, à titre exceptionnel, donner son consentement à l'octroi de la protection britannique à des indigènes demandée par des maisons non représentées au Maroc, et ne faisant, au surplus, avec ce pays que de l'importation ou de l'exportation, alors que le texte de 1863 stipule que le commerce doit comprendre des opérations doubles, c'est-à-dire faites dans les deux sens.

20. Mais ces dérogations exceptionnellement bienveillantes ne doivent pas être considérées comme créant une nouvelle règle contraire à la lettre et à l'esprit des traités, et je me permets d'appeler votre attention sur l'obligation dans laquelle se verrait le Makhzen (si les indigènes continuaient à rechercher la protection britannique dans des conditions non conformes aux textes et aux pratiques en vigueur et qui dissimulent mal, chez eux, le but de se soustraire à l'application de la loi générale, malgré toutes les garanties qu'apporte le régime du protectorat) d'en revenir à une stricte application des textes et de ne plus consentir aucune dérogation à ceux-ci.

21. Dans le cas qui fait l'objet de la présente lettre, j'ai déjà eu l'honneur de vous faire remarquer, par ma lettre du 1er juillet dernier, que les frères Bouayyed n'étaient que les clients et non les courtiers ou agents employés par la maison Taylor, Frank. Cependant, et malgré que la demande ne fût pas conforme aux traités, le Makhzen a bien voulu, en raison de l'importance du chiffre d'affaires de cette maison avec le Maroc, admettre que la protection fût accordée à l'un des frères Bouayyed.

22. Je ne puis donc que vous demander à nouveau d'intervenir auprès de la maison Taylor, Frank, pour obtenir de cette dernière qu'elle vous fasse connaître sur lequel de ces indigènes elle a porté son choix. Dès que vous m'aurez fixé à ce sujet, je ne manquerai pas de solliciter l'agrément du Makhzen à l'octroi de la protection britannique à l'indigène en faveur duquel la demande aura été maintenue.

Veuillez agréer, &c.
LYAUTEY.

[W 12372/9545/28] No. 52.

Board of Trade to Foreign Office.—(Received November 25.)

Sir, *Board of Trade, November 24, 1921.*

I AM directed by the Board of Trade to refer to your letter of the 31st October, on the subject of the administration of Cape Spartel lighthouse, and, in reply, I am to acquaint you, for the information of the Secretary of State for Foreign Affairs, that the Board concur in the arrangement suggested in the fifth paragraph of your letter, under which the Moorish Government would pay one share of the cost of maintaining the lighthouse, and would be allowed a representative on the committee of management.

As the adoption of this arrangement, instead of accepting the offer of the Moorish Government to pay the contributions of the two Powers which withdrew from the Lighthouse Convention in accordance with articles in the Treaties of Versailles and Saint-Germain, would involve the increase of the contributions paid by the other Powers who are parties to the convention, the Board would suggest, for Lord Curzon's consideration, that it may be necessary to bear in mind the possibility of those of the signatory Powers who were neutral during the war objecting to payment of increased contributions on the ground that the belligerent Powers had no right, by virtue of provisions in the Treaties of Peace, to impose upon them additional expense.

It is possible, of course, that the neutral Powers may not take this point, but if they do some other arrangement may have to be made for meeting the deficit due to the exclusion of Germany and Austria from the arrangements provided for in the Lighthouse Convention.

I am, &c.
C. H. GRIMSHAW.

[W 12459/353/28] No. 53.

Sir E. Howard to the Marquess Curzon of Kedleston.—(Received November 29.)

(No. 766.)

My Lord, *Madrid, November 21, 1921.*

WITH reference to your Lordship's despatch No. 571 of the 31st ultimo, I have the honour to transmit to you herewith copy of a letter which I have addressed to the Spanish Government respecting British claims in Morocco.

I have, &c.
ESME HOWARD.

Enclosure in No. 53.

Sir E. Howard to the Spanish Minister of State.

Your Excellency, *Madrid, November 19, 1921.*

ON the 25th June, 1920, I had the honour to address to his Excellency the Marqués de Lema a note in which I forwarded to him a statement of the various claims put forward by British subjects and protected subjects in the Spanish zone in Morocco against the Spanish Government for damages to property of various kinds incurred since the occupation of the zone by Spanish forces in 1913.

I pointed out that, although many of these claims dated from that year or 1914, only one or two had been settled up to the date of my note referred to above. As His Majesty's Government were anxious for an early settlement of these claims, some of which were of many years' standing, I had, before writing the note above mentioned, under instructions from His Majesty's Principal Secretary of State for Foreign Affairs, enquired of the Marqués de Lema whether His Catholic Majesty's Government would agree to making these claims the subject of a special enquiry on the spot by representatives of the Spanish and British Governments, failing which His Majesty's Government considered that the only means of obtaining a rapid and satisfactory solution would be by recourse to arbitration, a procedure which, however, they were for various reasons anxious to avoid.

The Marqués de Lema, having consulted the High Commissioner for the Spanish zone on this proposal, informed me verbally, on the 22nd June, 1920, that the Spanish Claims Commission (which was, however, appointed to examine only claims arising out of events prior to the 25th December, 1917) were on the point of terminating their labours, and that a special Anglo-Spanish Commission, as proposed, would therefore for the moment be inadvisable.

In concluding my note of the 25th June under reference, I said that, while I should of course inform Lord Curzon of what the Marqués de Lema had told me, I could not but emphasise once again the importance which His Majesty's Government attached to an early settlement of these claims, and ventured to express the hope that this might be possible without having recourse to the expensive method of arbitration.

As a result of the information received from the Marqués de Lema respecting the prospects of an early termination of the labours of the Spanish Claims Commission, His Majesty's Government for the time postponed pressing for a special Anglo-Spanish Commission or for submission of the claims to arbitration.

I have now received a further despatch from Lord Curzon of Kedleston on this subject, in which his Lordship summarises the position as follows:—

1. The British claims in Morocco have hitherto been divided into two categories namely, so-called "commission claims" and "non-commission claims." The first of these, as your Excellency is aware, are those arising from events prior to the 25th December, 1917, and falling within the terms of reference of the commission appointed by the Makhzen in 1917 to deal with claims arising out of the insurrection of the Kabiles and the repressive measures taken by the authorities of the Spanish zone. So far as British claims are concerned, it appears that the commission has effected nothing but the settlement of one small claim put forward by Mr. Bibi Carleton and the offer of sums, which are considered quite inadequate, in two other cases.

2. The position as regards claims which do not come within the jurisdiction of the Claims Commission of 1917, and are therefore referred to as "non-commission claims," is,

from the British point of view, equally unsatisfactory. These claims arise out of damages caused, since the 25th December, 1917, to property in the Spanish zone by Spanish troops or by act of robbery and brigandage on the part of the insurgents, as well as claims put forward on account of the forcible occupation of land or buildings since 1913 by the Spanish military authorities. Some of the latter have been outstanding for years, and all efforts to obtain a settlement of them have proved fruitless.

As the result of repeated representations to His Catholic Majesty's Government on this subject, they appointed on the 25th January last a special commission to deal with four of the "non-commission" claims put forward by the British protégé Sid-er-Rzini. The amount claimed was 2,385,930 pesetas, which, from trustworthy information received by His Britannic Majesty's Government, was not an exaggerated estimate of the value of the properties in question. After prolonged investigation by the special commission concerned, His Catholic Majesty's Government finally offered 200,249·45 pesetas, a sum which His Britannic Majesty's Government regret that they cannot consider as at all acceptable.

3. In these circumstances, considering the long delays which have occurred without obtaining settlement of the majority of these claims, and considering that the sum offered in settlement of the claim of Sid-er-Rzini is regarded as inadequate, I am instructed by Lord Curzon to inform your Excellency that His Majesty's Government have been reluctantly compelled to come to the conclusion that an appeal to arbitration is the only method by which this matter can be satisfactorily settled in the interests of all parties, and a cause of friction removed between themselves and the Spanish Government which they naturally deplore and are most anxious to see definitely ended. Lord Curzon of Kedleston, therefore, has desired me to inform your Excellency that His Majesty's Government feel they have now no other alternative but to demand that the above body of claims, both "commission" and "non-commission," should be referred to arbitration, either under the Anglo-Spanish Arbitration Treaty of 1907, which provides for the reference of disputes to the old Hague Tribunal, or under article 13 of the covenant of the League of Nations, in which case reference would lie either to the new Permanent Court of International Justice, or to any tribunal agreed upon by the two parties. I am to add that His Majesty's Government trust that the Government of His Catholic Majesty will readily agree to this demand, and I venture to express the hope that I may receive a reply in this sense from your Excellency as soon as may be conveniently possible.

I avail, &c.
ESME HOWARD.

[W 12460/184/28] No. 54.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received November* 23.)

(No. 767.)

My Lord, *Madrid, November* 22, 1921.

IN my despatch No. 742 of the 12th instant I had the honour to report the speeches made by the Minister for Foreign Affairs and by the Prime Minister on the situation in Morocco. The "Epoca" of the 7th instant, in commenting on the first of these speeches, expressed the opinion that the problem called for a national plan, since its solution could not be expected in one generation. Spaniards must get the idea, which was fully shared by the Government, that Morocco was not an empty slate on which Spain could write as the spirit moved her, nor a colonial enterprise in which the pros and cons could be placed against one another in a balance-sheet. Morocco was something more. On the one hand, there were parts of it under Spanish sovereignty which were as much portions of Spanish soil as any place in the peninsula itself. On the other, there was the international zone, in which the mission entrusted to Spain prevented dangerous rivalries between other Powers, and made for the peace of the world. The whole international policy of Spain would crumble into dust were she to turn her back on this mission freely accepted by her.

The establishment of a protectorate was not a work for the present Cabinet or its successors; perhaps not for the present generation. In this sense Señor Maura was right when he said that it did not suffice for the Government to express its views, but that it was necessary to know those of other political forces which might

in future be in power, so that a joint and permanent policy might be evolved. This was the object of the recent discussions with political party leaders; and the "Epoca" felt confidence in the patriotism of these leaders, which would show itself in facilitating the course of the present debate and in arriving at a satisfactory conclusion as regards the future of Morocco.

After the speech by Señor Maura reported in my despatch above referred to, there were some days of delay, during which it was reported that Count Romanones was suffering from a cold, but which were filled by meetings of the party leaders and by negotiations behind the scenes. It was evident that the Opposition parties were not prepared to accept the statement of policy made by the spokesman of the Government, and that some compromise was being sought. In the meanwhile the debate in the Cortes languished, since none of the minor members of the various parties was prepared to express any views of his own until Count Romanones should have made up his mind, in consultation with the Marqués de Alhucemas and Señor Alba, as to the attitude to be adopted by them. Finally, on the 15th instant, Count Romanones made his long-expected speech, which was to the following effect:—

The country had to choose between two solutions of the problem of Morocco: One was that of intense military action to recover all that had been lost, and the exemplary punishment of the Moors, civil action being neglected; the other was to prefer political action to military action. Parliament was to decide between these two points of view. Señor Maura had accepted the second of these alternatives, the civil conception of the protectorate. In that Count Romanones was in agreement with him. He admitted that the responsibility for undertaking the protectorate dated from the year 1913; but he maintained that never for a day had a real protectorate been exercised. The conception of a protectorate, which was complex and artificial, did not fit in with Spanish ideas, since Spaniards were too proud to copy other people. It was a problem of officials, and Spain would be able to achieve nothing without trained officials. He described the early history of the protectorate and his efforts to induce Señor Gonzalez Hontoria to accept the duties of High Commissioner in the year 1918. Had the latter been willing to go there, General Berenguer would have been appointed to command the army, and "the unfortunate General Silvestre would have been left in attendance on His Majesty the King." (The suggestion, contained in these words, of a connection between His Majesty and the disaster of Annual was greeted with murmurs by the Chamber.) Had that policy been carried out, the recent catastrophe would have been avoided and much advance would have been made with the work of government in Morocco. Count Romanones went on to speak of the successes achieved by civil as opposed to military action both in the Spanish and the French zone. The military action required should be carried out without haste and at the cost of as little loss as possible. These operations should be restricted to what was absolutely necessary for the establishment of the protectorate, and should be on a scale graduated to the problem of Morocco and the economic life of Spain. He agreed with Señor Maura as to the importance of Morocco for Spain. Señor Besteiro had alluded to the statements that the speaker had had the intention of negotiating for the sale of Morocco. Count Romanones desired to recall to the House his statement made a few months earlier to the effect that Spain could not part with a centimetre of territory, when Señor Cambó, the Catalan leader, observed that Morocco could only be looked on as a valuable object for exchange. He himself could not think of such a thing, which no Spaniard would hear of.

Count Romanones then went on to refer to what Señor Maura had said as to the painful impression produced upon him by the discovery that the army, on which so many millions of pesetas had been expended, was incapable of the effort of rescuing the Spaniards surrounded at Monte Arruit. Schemes for improving the army had been left slumbering in the archives of the War Office. It was clear that Spain had not known how to make an army, but now she must organise one without the least delay. The whole of Spanish energies could not, however, be diverted to Morocco. He maintained that Señor Maura was as much responsible for the state of the army as other politicians. The international aspect of the problem of Morocco was for him the most fundamental. If Spain had been isolated she could not have gone to Morocco. The Straits of Gibraltar constituted the umbilical cord uniting Spain and Africa, and one hand alone held the scissors which might part that cord. The Spanish zone was hemmed in by another nation, and within it was Tangier. So long as Spain remained in Morocco her foreign policy was marked

out for her, and she must remain on good terms with France and England. By a policy of friendship with them she could arrive at a solution of the problem of Morocco. He and his friends felt that the whole of this question must be settled by Parliament. He concluded by reading a declaration of policy, which he called upon the House to accept, and which was to the following effect :—

"The Chamber accepts Señor Maura's statement of policy as to the substitution of civil action for military in Morocco, and maintains the necessity for the moment of military action consonant with the honour of the army, the necessity of repairing before the world the blow sustained by Spanish prestige by reason of the disaster of last July, limited and qualified only as to time and intensity by the economic capacity of the nation and the urgent necessity of attending first to the reconstruction of Spanish finances and to the restoration of the culture and riches of Spain herself. The House at the same time maintains the necessity of accompanying this national work by an immediate and inexorable enquiry into the responsibility for the present situation, not only in so far as the military and civil tribunals can exercise their jurisdiction, but also outside the scope of this jurisdiction, with regard to which a parliamentary commission should submit proposals to the Cortes as soon as possible. The House recognises that it would not be wise to commence the necessary work of military reform during the Moroccan campaign, but places on record that this reform is nevertheless indispensable and urgent; it therefore calls upon the Government to submit to the Cortes the bases of a total and profound transformation of the army within the limits of the resources and in proportion to the other services of the State. Finally, the House proclaims that the great work to be performed must be carried out subject to constant communication between the executive and Parliament."

This speech by Romanones, and more particularly the declaration submitted to the House, caused a great sensation in the country, for it was seen that the Government would not be able to accept the proposal which the Liberals desired to have voted, since its phraseology might be held to restrict their freedom of action not only with regard to operations in Morocco, but with regard to enquiries into the responsibilities for the events of last July, and with regard to future army reorganisation, which latter question did not really call for any immediate decision by the House in the course of a debate on the future of Morocco.

In his answer on the 16th instant, Señor Maura expressed pleasure at finding how far the Opposition were in accordance with the policy which he had outlined to the Chamber, but he added that the Government could not accept some parts of the declaration, which were considered hostile to the Government. As the Government were in the position of agreeing to one part of the declaration and of disagreeing with the other part of it, it would be impossible for them to give a plain vote for it or against it. He hoped, therefore, that it would be withdrawn. He asked for the confidence of the Chamber in the military measures which might be necessary for the Government to take, and expressed the intention of the Government to discuss the question of the appointment of a parliamentary commission when the moment was thought propitious. This was a matter for discussion, but not at the present moment. With regard to army reform, too, he did not think the present was the right moment to go into the matter.

The result of this debate, which was tediously prolonged by other speakers for several days, was a political crisis. If the Liberals were to insist on voting on their declaration, in spite of the opposition by the Government, the latter, which has no parliamentary majority, would fall; and no substitute could be found for it. King Alfonso interviewed the chief political leaders, and the press in general expressed its dissatisfaction with the party manœuvres of Count Romanones, who is supposed to have taken the course he did under pressure from Señor Alba. The latter is stated to have drafted the declaration with his own hand and to have, with the aid of Don Milquiades Alvarez, forced it upon the Liberals of the more moderate factions.

Finally, after statements in Parliament to the effect that the Liberals did not desire to overthrow the present Government, the declaration was put to the vote and defeated by 131 to 81, meeting with support only from the groups that had brought it forward. The net result seems to have been a considerable loss of face to the Liberals, who seem inclined to split into two factions, the more moderate one headed by Count Romanones and the Marqués de Alhucemas, the other by Señor Alba and Don Milquiades Alvarez.

One of the most striking features of the whole episode has been the fact that the Marqués de Cortina and Señor Frances Rodriguez, the representatives in the Government of Count Romanones and the Marqués de Alhucemas, were requested by their respective leaders to continue to act with the Government, and Señor Frances Rodriguez actually voted against the acceptance of the proposals of the Opposition, this policy being adopted, no doubt, in order that it should not be said, if the Government fell, that the two Liberal members had been the direct cause of bringing about its fall at this moment of crisis.

I have, &c.
ESME HOWARD.

[**W 12468/184/28**] No. **55**.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received November* 29.)

(No. 779.)
My Lord, *Madrid, November* 26, 1921.

I HAVE the honour to enclose a very interesting report drawn up by Mr. Wingfield on the present activities of the military "juntas" in regard to the Spanish campaign in Morocco. I may mention that the general impression seems to be that in the struggle that has been going on for some time past between the "juntas" and the Government the former have on the whole considerably strengthened their position.

I have, &c.
ESME HOWARD.

Enclosure in No. 55.

Memorandum.

THE struggle between the military "juntas" and the Ministry, to which Sir E. Howard referred in the last paragraph of his despatch No. 671 of the 24th ultimo, still continues behind the scenes, and the newspapers are full of statements and surmises as to the attitude assumed by them and by various personages to the chief questions confronting the country. As this Embassy has already had the honour to report, the question of the rewards to be given in connection with recent operations in Morocco has been coupled by them with the thorny one of the "responsibilities" for the disaster of last July, and an *impasse* has been already produced out of which no issue has yet been found. The "juntas" adopt the attitude that General Berenguer, having been in chief command and also High Commissioner at that time, is *primâ facie* responsible for the disaster; and they hold therefore that neither he nor anyone else ought to be rewarded for their services until a full enquiry has been held, which would, they suggest, clear the honour of the army from false aspersions, whilst fixing the blame squarely upon the shoulders to which it belongs. It is to be doubted whether the more responsible persons connected with these bodies really desire the holding of an impartial and thorough enquiry of this nature, which could not fail to reveal the laxity and incompetence of the majority of those responsible for the efficiency of the Spanish army, and would have to apportion to the "juntas" themselves a liberal share of blame for this unsatisfactory state of affairs; but the decisions of the "juntas" are notoriously taken by meetings at which the junior officers greatly preponderate (general officers cannot belong to any "junta"), whilst no tribunal could be found which would be generally recognised as impartial and could be depended upon to investigate these matters *à fond*. As far as circles lying outside the "juntas" are concerned, a full and impartial enquiry would be considered by most politicians as little short of disastrous. To begin with—even if this consideration be not that which might first occur to them—the late General Silvestre was an aide-de-camp to King Alfonso, appointed through palace influence, and notoriously acting under royal inspiration and with full royal support, even if the tale is not true (though it has received wide circulation) that His Majesty had written to him urging an advance on the Melilla front, and that the compromising royal letters have fortunately been returned to His Majesty by the late general's son and aide-de-camp, who was sent back to Melilla for the purpose just before the disaster.

But the chief objection to such an enquiry would obviously be that all the politicians who have held office during the last ten years, besides their friends and

supporters, are primarily responsible for the shortcomings of the army and of all the other services of the State. Whilst they have intrigued for power one against the other, have wasted weeks in sterile debates, and have refrained, and still more have hindered others, from any beneficial activities, disorganisation, corruption and nepotism have borne their natural fruits; and the one defence that the public men of Spain could honestly bring forward is that the mass of the public do not take a sufficiently active, intelligent and sustained interest in public affairs to compel any amelioration of the admittedly disgraceful state of affairs.

Señor La Cierva talks bravely of his intention of curbing the "juntas" if they break the law, but his words do not deceive his fellow members of the Cortes. The "juntas" have declared that if rewards are given they must be refused, and an officer who neglected this warning would be boycotted, even where he the commander-in-chief. But in the case of General Cavalcanti Señor La Cierva has maintained his ground, in spite of the open opposition and threats of the "juntas." The circumstances appear to have been as follows: On the 29th September a convoy started for Tizza with a strong escort under General Cavalcanti. The Moors held up the convoy, and the escort, after losing, it is urged on their behalf, some 1,500 men, seemed disinclined to advance. General Cavalcanti thereupon, taking over the immediate command of the troops from General Tuero and Colonels Sirvent and Lacanal, charged with his staff at their head and put the Moors to flight. The three last-named officers have since been relieved of their commands, whilst General Cavalcanti has been proposed for the Cross of San Fernando. The "juntas," however, have held meetings in Madrid, in which they decided that General Cavalcanti, after a theatrical charge after a rapidly vanishing enemy, has calumniated the officers and troops under him in order to glorify himself. They therefore endeavoured to get the three officers mentioned reinstated, and, failing in that, have elected Colonel Lacanal as president of the infantry "junta." They do not seem, however, to mean to direct the officers in the field to refuse obedience to General Cavalcanti.

But this does not complete the tale of the troubles of the Government with the "juntas." General Cabanellas, after seeing the bodies of the Spanish soldiers murdered and left unburied by the Moors at Monte Arruit, wrote a letter (which was subsequently published without his approval) to the "juntas" blaming them for the deplorable state of the army which had led to this terrible result. The "juntas" denied in the press that they had any responsibility for the reverse suffered, since they had always confined their activities to calling the attention of the authorities to abuses; and, no doubt as an example of their methods, they forwarded (so a story goes which has received wide circulation in Madrid) to the Ministry of War a copy of General Cabanellas' letter as it appeared in the press with the observation: "This is illegal." Señor La Cierva, wishing to let sleeping dogs lie, seems to have pigeon-holed this communication until, a fortnight later, he received a second copy of the letter, with the legend: "This is illegal, and so is your Excellency's behaviour." The press has been full of reports as to the recall of General Cabanellas, but Señor La Cierva has denied these rumours in the Lower House, where he explained that the general had been put in command of Monte Arruit, his column having been broken up, which is no doubt his way of meeting the demand for the removal of that general from the command of the cavalry brigade.

In the midst of this unsatisfactory situation General Berenguer, who is reported to have endeavoured to resign, even if he does not still mean to do so, has returned to Madrid, where he is doubtless discussing with the Government the future policy to be pursued in Morocco. He was met at the station, not only by most of the Cabinet, but also by the King himself, a decision on the part of His Majesty which has been considerably criticised in various keys, from that of the newspaper which enquired what Spain would have done more for a Foch returning victorious from a world-war, to the remark by Count Romanones that at first he would not believe it and now he deplored it

With regard to future policy, it is understood that the King, General Berenguer and Señor La Cierva (the War Minister), and the mass of the army officers feel that this, Spain's last opportunity of settling the problem of her protectorate satisfactorily, must not be neglected. They have an army of 150,000 men, the Moors are, they consider, beaten, dispirited and short of food, and it would be madness not to compel all the tribes to submit unconditionally. If they hold their hands now the Moors will recover their *moral*, sow their spring crops and renew the war with enhanced forces next year. On the other hand Señor Maura and the great mass of the Spanish people feel that even if the military operations meet with little or no resistance, the Spanish

troops will merely advance through the inhospitable mountains of the Riff, where they can maintain no personal hold, the cost in blood and treasure being compensated by no equivalent more substantial than prestige, a luxury which in present circumstances Spain can but ill afford. The finances of the country are unsatisfactory, prices are again rising, the exchange is low, and the economic situation marked by the closing of banks in Catalonia first and now in Galicia, and by endeavours to impose prohibitive customs duties, is disquieting. To undertake operations of which nobody can see the end might well be financially disastrous, and the ultimate political effects of the long continuance of so unpopular a policy might well be extremely grave.

Meanwhile the debate in Morocco, described in previous despatches ending with Sir E. Howard's No. 742 of the 12th November, continues in both Houses in a desultory fashion, being occasionally enlivened by the intervention of a party leader or some unexpected incident. The long-expected speech by Don Milquiades Alvarez, delivered on the 24th instant, has not added much to our knowledge of the attitude of the party on this subject. His speech was long and eloquent, and contained some noteworthy passages, but upon the points of policy where he was not ready to endorse the views of Señor Maura he was exceedingly vague. The following are the points which are worth recording in this speech:—

The speaker lamented the unsatisfactory condition of Spain as revealed by the late disaster, and called for a full enquiry into responsibilities. He criticised the Government for letting the King meet General Berenguer at the station, and said that an effort was being made to put all the blame for the collapse of the army on General Silvestre. He pointed out, however, that General Berenguer was in chief command and High Commissioner, so that he was responsible for his subordinate; and that if General Silvestre had the faults imputed to him, the Government should never have given him such an appointment, a responsibility they could not shirk, in a constitutional country, by hinting that King Alfonso's influence had been to blame. Officers on General Silvestre's staff had resigned in protest against an advance on the Melilla front without the reinforcements that Viscount Eza had boasted would not be sent. Did not General Berenguer and the Government know this? He was in general agreement with Señor Maura as to future policy. They should not abandon Morocco, but should pursue a policy of "protection"; but he was inclined to doubt whether such a policy was practicable until the Moors had been taught a lesson. Should such military action be necessary it must be quick, decisive and effective. The country could not send fresh reinforcements or endure a permanent war. If the operations involved were to be long and difficult the country should be told that Spain was impotent and that, although Spain's domination of the Straits was a title of honour and a basis for international policy, they must agree with the bitter last words of the speech of the Prime Minister, and say that the abandonment of Morocco must be preferred to sterility and impotence.

But the idea of leaving Morocco was put forward without qualification in an unexpected quarter on the 25th instant, when General Primo de Rivera (Marqués de Estella and Captain-General of Madrid) rose in the Senate, and in a maiden speech recommended the exchange of the Spanish zone in Morocco for Gibraltar, a course he said he had recommended four years ago in a speech at Cadiz. The Prime Minister and the Minister for War, who heard him, showed signs of surprise, and suggestions appear in this morning's press that he should be relieved of his command.

CHARLES WINGFIELD.

Madrid, November 26, 1921.

[**W 12372/9545/28**] No. 56.

Foreign Office to Board of Trade.

Sir, *Foreign Office, December* 3, 1921.

I AM directed by the Marquess Curzon of Kedleston to acknowledge the receipt of your letter of the 24th ultimo expressing the Board of Trade's concurrence in the arrangement which it is proposed to suggest to the Spanish Government for the settlement of the question which has arisen in regard to the cost of maintaining the international lighthouse at Cape Spartel.

2. Lord Curzon would be glad to know whether the Board have obtained formal Treasury sanction for the increase in the British contribution which the proposed arrangement would entail, as this would appear to be necessary before the solution can be definitely put forward.

I am, &c.
G. H. VILLIERS.

[W 12708/11522/28] No. 57.

Lord Hardinge to the Marquess Curzon of Kedleston.—(Received December 7.)

(No. 3296.)

HIS Majesty's Ambassador at Paris presents his compliments to His Majesty's Principal Secretary of State for Foreign Affairs, and has the honour to transmit herewith a copy of a note from the Ministry for Foreign Affairs, dated the 5th December, respecting Mr. Robertson's appointment as His Majesty's agent at Tangier.

Paris, December 6, 1921.

Enclosure in No. 57.

French Ministry for Foreign Affairs to British Embassy.

PAR une note en date du 22 novembre, l'Ambassade de Sa Majesté britannique a bien voulu informer le Ministère des Affaires étrangères de la nomination de Mr. Malcolm Arnold Robertson en qualité d'agent et consul général de Grande Bretagne au Maroc.

L'Ambassade britannique a, en outre, proposé au Ministère des Affaires étrangères qu'en même temps qu'il présentera ses lettres de créance à Sa Majesté le Sultan du Maroc par l'entremise du Commissaire Résident général de France à Rabat, Mr. Robertson soit autorisé à demander l'exequatur en sa qualité de consul général par la même entremise et au même moment.

Le Ministère des Affaires étrangères a l'honneur de faire savoir à l'Ambassade de Sa Majesté britannique que, dans un esprit de simplification, il consent très volontiers à l'adoption de cette procédure.

Ministère des Affaires étrangères,
Paris, le 3 décembre 1921.

[W 12738/9545/28] No. 58

Board of Trade to Foreign Office.—(Received December 8.)

Sir, *Board of Trade, December 7,* 1921.

I AM directed by the Board of Trade to acknowledge the receipt of your letter of the 3rd December on the subject of the cost of maintaining the international lighthouse at Cape Spartel, Morocco, and, in reply, I am to acquaint you, for the information of the Secretary of State for Foreign Affairs, that the British contribution to the cost of maintaining this lighthouse is chargeable not to the Exchequer, but to the General Lighthouse Fund, in accordance with section 2 (3) of "The Merchant Shipping Mercantile Marine Fund) Act, 1898," and that this fund is controlled by the Board of Trade without Treasury supervision.

I am, &c.
C. H. GRIMSHAW.

[W 12738/9545/28] No. 59.

The Marquess Curzon of Kedleston to Sir E. Howard (Madrid).

(No. 137.)
(Telegraphic.) R. *Foreign Office, December 9,* 1921.

YOUR telegram No. 214.

View of His Majesty's Government is that Makhzen should be allowed to contribute and that the former German and Austrian contributions should be divided equally between the Powers, including the Makhzen, who should be given a place on the committee of management.

[W 12891/184/28] No. 60.

Sir E. Howard to the Marquess Curzon of Kedleston.—(Received December 13.)

(No. 814.)

My Lord, *Madrid, December 10,* 1921.

WITH reference to my despatch No. 779 of the 26th ultimo, I have the honour to enclose herewith a further memorandum by Mr. Wingfield on the debate in the Cortes on the subject of the Moroccan situation. This debate has now continued since the Cortes opened on the 20th October, and has so far led to no definite results, while preventing the Cortes from dealing with such important and urgent matters as the Bill respecting the privileges of the Bank of Spain and the settlement of the railway question, neither of which it now appears will be passed before the end of the year.

The speech of the leader of the Republican Party, Señor Lerroux, to which Mr. Wingfield refers, and in which he definitely declares in favour of the necessity of Spain retaining the Spanish Moroccan zone and incorporating in it the international zone of Tangier, came as a distinct surprise. It had been previously rumoured that Señor Lerroux would present a resolution for the abandonment of Morocco, and the general opinion was that when the Cortes opened this was the line he would take. What the reason of his *volte-face* may be is not quite clear, but it was hinted in some of the papers which are naturally not favourable to Señor Lerroux that the strong line he took on this occasion was due less to any real conviction than to a desire to be included amongst the politicians who are considered as, if I may use a German word, "regierungsfähig." Personally I cannot help wondering whether Señor Lerroux's motive may not have been to endear himself to the military juntas, who might, in case strong action was taken against them by any Monarchical Spanish Government, whether Liberal or Conservative, possibly throw in their lot with the Republican Party.

Two incidental questions have arisen during the latter period of the Moroccan debate which have caused considerable stir in the press and in the country. One is that of the ransom of the prisoners, with regard to which the Spanish Government has been severely and, I think, unfairly attacked. It has been stated over and over again that the Riffian rebels require a ransom of 4,000,000 pesetas for the release of the prisoners of whose sufferings harrowing details have been constantly published in the Spanish press During the visit of the Infanta Don Carlos and the Infanta Luisa to Melilla, demonstrations occurred there in favour of the immediate ransoming of the prisoners, which were reported at length in the Spanish press, and were largely supported by public opinion here. In his speech in the Cortes the Prime Minister, however, stated that to hand 4,000,000 pesetas to the Riffian rebels, who were able to buy smuggled arms exceedingly cheap, and could live on next to nothing, would be tantamount to supplying them with the sinews of war for a long period, and might cost the lives of thousands of Spanish soldiers. The Minister for Foreign Affairs moreover informed me that, while negotiations were being continued for the release of the prisoners, the terms asked for by the Riffian chiefs were not acceptable, as they involved not only the surrender of the prisoners for the ransom demanded, but other political considerations. The Spanish Government hoped that after some further military operations the Moors would considerably reduce their pretensions.

The second question which has been debated with considerable bitterness in the Cortes is that of the promotion of the High Commissioner and other officers who have taken part in the campaign in Morocco. I have already had the honour to report that the Minister of War attempted before the Cortes met to carry through these promotions by Royal decree, but was prevented from doing so by the action of the military juntas, who insisted that such promotions must be passed through the Cortes, and have taken the line that there should be no promotions until the whole question of responsibility for the disaster of July had been thrashed out. Señor La Cierva then brought in a Bill for the promotion of the officers in question, and this has naturally led once more to discussion on the vexed question of responsibility. The speech reported by Mr. Wingfield which was made by General Alfau on the 2nd instant was made on this subject. The general therein declared that when he was High Commissioner of the Spanish zone in 1913 orders had been given at the instigation of persons whom he did not specifically name, but who, it has been generally inferred, were the King of Spain and the then Minister of State, to carry out behind the backs of himself, the War Office and General Staff a rash disembarkation of troops at Alhucemas. General Alfau's remarks were confirmed by General Villalba and caused such excitement that the usual shorthand report of the proceedings in the Senate was

not issued. General Alfau's statements were, however, disputed by General Luque, who was Minister for War at the time in question.

The whole result of this interminable debate seems to be that the political situation has become more complicated and serious than ever. The position of the Minister of War, Señor La Cierva, who is antagonised by all the power of the juntas and has not been able to make friends in other camps, has become so difficult that it would almost seem that he was insisting on a decision with regard to his Military Promotions Bill as a way of riding for a fall.

The attack made by various papers, and notably the Conservative "A.B.C.," against the Minister of Finance, Señor Cambó, with respect to the new tariff, are having a considerable effect on public opinion throughout the country, and it is certain that if he insists, as he declares, on enforcing what is now almost universally known as the Arancel del Hambre (*i.e.*, famine tariff) by Royal decree without submitting it to Parliament, the position of the Government will become more difficult than ever.

Outside parliamentary, matters are also far from easy. As already reported, the united military juntas, at whose head are the infantry junta, the president of which is Colonel Lacanal, who has recently been removed from his command in Morocco, are making every possible effort to upset the Minister of War over the question of the promotions and responsibility, and however much the Government may endeavour to put off enquiries into the matter and to postpone discussion on the report of General Picaso, who was sent by them to Melilla in August last to draw up a report, the day of reckoning must inevitably come. The Minister for Foreign Affairs also has his particular difficulties connected with the relations with France arising out of the denunciation of the commercial *modus vivendi* which terminated to-day.

In an article of the 3rd instant, the paper the "Nundo" sums up the situation in the following words: "How will a solution be found for these problems? Up to now there has been no Ministerial crisis for lack of a substitute for the present Government, but the moment seems to have come when the Government cannot continue to go on and the accumulation of difficulties make impossible any of those palliatives which are generally adopted in the Governments of Spain."

I have, &c.
ESME HOWARD.

Enclosure in No. 60.

Memorandum on the Moroccan Debate.

IN continuation of the memorandum which formed the enclosure to Sir E. Howard's despatch No. 779 of the 26th ultimo, I have the honour to report that the debate on Morocco shows no signs of coming to an end, despite the fact that all other business of the country is delayed or put aside in the Cortes whilst the attention of the country is devoted almost exclusively to this topic. Amongst the many sensations provided by this debate, by no means the least notable was furnished by the speech of Señor Lerroux, the Republican leader, delivered on the 25th ultimo.

He prefaced his remarks by pointing out that they represented his own views only, not those of his party. He considered that Spain had, up to 1912, been free to adopt any line of policy with regard to Morocco. Since that date, however, it was questionable whether her hands were not tied, and since 1914 she had certainly been bound to maintain the protectorate she had undertaken. He was in favour of Spain's remaining in Morocco, and he felt that members of the monarchical parties, who suggested the abandonment of the Spanish zone, ought to leave public life until they had atoned for the errors of their past. The immorality and indiscipline exhibited in Morocco were the reflection of the moral state of Spain. Morocco was as the cesspool into which flowed the Spanish drain; and the aristocratic and governing classes of the country showed no signs of amending their ways. The complaints of the Spanish people had not even spared the Throne. It was in reality the whole Spanish system—economic, social and political—that was at fault; but responsibility fell particularly on the governing classes, at whose apex lay the fundamental cause of the trouble. The army, instead of being an efficient instrument of the State, had become a pretorian guard, in which the gifts of the courtier, not the virtues of the soldier, were rewarded. Public men dealt as equals with bodies (the juntas) which they would dissolve had they the courage to do so; whilst the army in the field was directed by a man who had openly been charged with the responsibility for a great disaster, but who was honoured by the King as if he were a triumphant victor. Those who recommended the

abandonment of Morocco were, however, confounding the unhealthy condition of the State with that of the Spanish people, which was sound. Were they to retire from Morocco, what would be the situation of Spain in time of war, with all the coast of Northern Morocco in the hands of France? The loss of Morocco would be such another blow to Spain as had been the loss of Portugal, with which country Spain should enter into a relationship similar to that subsisting between the Scandinavian States. Of those who thought that Spain was incompetent and impotent, he asked whether they would not next suggest the abandonment, not only of the Canaries and Balearic Isles, but also of Catalonia and the Basque provinces. To those who urged that Spain was full of illiterates and without public works, and that the millions wasted in Morocco were wanted in Spain, he replied that even if Morocco were abandoned Spain would suffer from the same politicians who were responsible for her backwardness. If she abandoned Morocco, Spain must appear before her daughter nations with bowed head, like a disgraced mother who could no longer pass on an honourable name to her children. But Tangier must be Spanish; otherwise Spain had better abandon Morocco altogether.

This general endorsement of their Moroccan policy has naturally given satisfaction to the Government, and has caused questions to be asked in the press as to the political party to which Señor Lerroux now belongs. The "Liberal" of the 1st instant, in commenting on his speech, asked whether it was economic, strategic or international considerations which called for the presence of Spain in Morocco. It quoted an eminent geologist to prove that the protectorate was a failure from the economic point of view, and General Primo de Rivera's recent speech to show that the retention of the Spanish zone was a strategic source of weakness; whilst in conclusion the writer pointed out that in no important foreign newspaper had he found praise of Spain's work of colonisation in Morocco.

An interview with General Berenguer appeared in the "Época" of the 29th ultimo, in which the general represented himself as in favour of a colonial army based on the Foreign Legion and the Moorish "regulares," and supported by a strong reserve quartered in Southern Spain. The Moors, of course, had to be punished; but he thought that another six months should suffice, if the present patriotic temper of the country were maintained, and that once the military campaign was concluded the civil administration could be reinstated, only a sufficient armed force being maintained to make it respected. A programme of public works would then follow, for which plans had already been submitted to the Minister of State, who was considering the possibility of raising the loan which would be required for the execution of these plans. The Moors must be disarmed, and what was lost in July recovered. The question of the ransom of the prisoners would not be neglected by the Government. He desired to encourage the colonisation of the Spanish zone, from which it was necessary to expel Raisuli.

The "Sol" of the 2nd instant contained an article repudiating statements about the Spanish campaign in the Riff made by the "Dépêche marocaine" of Tangier, in which Spain was accused of employing methods of barbarism against the Moors by using poisoned gas, microbes, &c. The article in the "Sol" enquired what was the reason for this abnormal humanitarianism on the part of the French newspaper, and observed that such articles made good relations impossible between France and Spain.

The same Spanish newspaper, in its issue of the 3rd instant, printed an article by Don Ramiro de Maeztu, O.B.E., on France's attitude on the question of disarmament. Señor Maeztu discussed the negotiations in Washington and the refusal of the "Daily Mail" to publish any more of Mr. Wells's articles; and he concluded by referring to an article in the "Daily Chronicle" of the 26th ultimo, commenting on the danger to an insular Power of a submarine squadron operating from the coasts of France. He considered that if the British people were rather more quick-witted they would realise that they were threatened, not only from the coasts of France, but also from the Straits of Gibraltar. Evidence of this was afforded by the recent speeches of the Sultan of Morocco and of General Lyautey (see Sir E. Howard's despatch No. 774 of the 25th November) and by the lively French interest in the Riff. With a strong submarine base on the Straits, France could close them to the shipping of the world. As this would be most prejudicial to Great Britain, it was of the utmost importance to the latter that the dominion of Spain over the Straits should be maintained. General Primo de Rivera might therefore be wrong when he suggested that a Spanish army in Morocco was exposed to the risk of being cut off over sea, for in this matter Great Britain's interests coincided with those of Spain. The slowness of British wits had probably contributed to bringing about the world war, since before it Great Britain

had been unwilling to sign a definite alliance with France and Russia. It now behoved the Spanish Minister of State to see that such a mistake was not repeated, and that the identity of interests between Great Britain and Spain was recorded in the form of a treaty.

Yet another notable incident in the Morocco debate occurred on the 2nd instant, when General Alfau, who was High Commissioner in the Spanish zone in 1913, declared that in that year a rash undertaking was to have been carried out behind his back by General Jordana, and that it had only been prevented by a storm which wrecked a transport and hindered disembarkation at Alhucemas. Then, as had occurred last July in the case of General Silvestre, it was intended that a subordinate general should act behind the backs of the High Commissioner, the War Office and the General Staff, under the instigation of persons whom he did not apparently specifically name, but in whom his auditors recognised the Minister of State and particularly the King. He later also accused the same power of having at one moment desired to crush the military juntas, of having later got on most amicably with them, and of now once more wishing to make away with them. The Government suppressed the usual verbatim report of the debate, which should have been issued that night; and it was only on the 6th instant that the full report of the general's remarks was available from the official "Diario de Sesiones," which evidently contains a modified account of the actual words used by General Alfau, since there is nothing in the text of his speech as published to account for the considerable stir which his remarks certainly made in the Senate when he spoke.

General Luque, who was Minister for War at the time in question in 1913, and Señor Gonzalez Hontoria, now Minister of State, disputed, both on the 2nd and on the 6th instant, when the debate was continued, the accuracy of General Alfau's statements; but he was supported on the first of these two occasions by General Villalba, who commanded a brigade under General Jordana at the date in question, and has since been Minister for War. This incident has naturally given rise to a good deal of comment, and General Alfau is supposed to have voiced the views of the military juntas on this occasion.

A campaign in favour of the immediate ransom of the Spanish prisoners of war is being carried on with great vigour, and has the support of the military juntas. Disturbances, of which few details are at present available, have occurred at Melilla in support of this demand, which has been supported by a meeting of municipal employees in Madrid, when one of the speakers stated that the King and the Government were opposed to the release of the prisoners for fear of the revelations which they would be able to make with regard to the disaster of last July. This appeal to the emotions of the Spanish people, which often takes the form of the argument that mere questions of money should not stand in the way of the prompt release of fellow-countrymen who are dying of neglect and hardship in captivity, appeals strongly to a wide circle of people all over the country, particularly to those who are personally interested in individual prisoners, or who have friends and relations reported as "missing." Señor Maura, on the other hand, has pointed out in the Cortes that Spain cannot pay unlimited sums as ransom to enemies who will employ the money in buying munitions to kill Spanish soldiers, or in otherwise prolonging the campaign; and the report that Abd-el-Krim was using the question of ransom as a lever to obtain political concessions seems to be confirmed by an article in the "Sol" of the 6th instant, giving the following five points which purport to be the terms on which alone the Moors are prepared to ransom their prisoners:—

1. Payment by Spain of 4,000,000 pesetas.
2. Payment by Spain of an indemnity for all Moorish villages destroyed, or their repair by Spanish labour.
3. A guarantee by some foreign Power (France is suggested) of the payment mentioned in (1).
4. Spain to recognise the independence of the Beni-Bariaguel tribe, and consequently not to advance beyond the plain of Tafersit.
5. The release by Spain of all her Moorish prisoners.

On the other hand, the "A.B.C." of the 8th instant makes the following suggestions:—

1. That the Spanish Government should ask His Majesty's Government to act as mediators.

2. That the Spanish Government should obtain, through His Majesty's Government, the release of all the prisoners.
3. That not 4,000,000 but 5,000,000 pesetas should be deposited in the Bank of England and handed over to the Moors after the termination of the hostilities in the Riff.

The Spanish people would know, if this offer was refused by the Moors, that they were dealing with faithless savages, with whom no negotiations were possible; but if it were accepted the "A.B.C." would open a public subscription to pay the extra million pesetas.

In this connection it is interesting to note the suggestion of the Spanish Minister for Foreign Affairs respecting action on behalf of these prisoners by the British Red Cross (see Sir E. Howard's telegram No. 243 of the 8th December).

I understand that in the French zone there has been no such difficulty with regard to the ransom of prisoners, since the French soldiers, being well aware that no suggestion of their ransom would ever be considered, when surrounded by Moors either cut their way through or perish in the attempt. The report that Abd-el-Krim is making the most of the feelings of the Spanish people on this subject of the ransom of prisoners seems further confirmed by the statement made in the "Imparcial" of the 4th instant, to the effect that the Moorish chieftain had given leave for a representative of that newspaper to visit the prisoners of war, but that General Berenguer had prevented him from taking advantage of this permission.

The "Socialista," in its issue of the 5th instant, states that during the last eight years Spain has spent 1,101,424,557 pesetas on Morocco, but that no money could be found for insurance against old age, sickness or unemployment, or for schools, roads or railways.

CHARLES WINGFIELD.

Madrid, December 10, 1921.

[W 12892/1968/28] **No. 61.**

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received December* 13.)

(No. 815.)

My Lord, *Madrid, December* 9, 1921.

IN the course of a conversation which I had with the Minister for Foreign Affairs on the 6th instant, his Excellency complained at great length of the newspaper campaign against the Spanish authorities in Morocco which was being conducted in France and Tangier, especially by the "Dépêche coloniale" and the "Dépêche marocaine," to some articles of which I referred in my despatch No. 779 of the 26th ultimo. He stated he could only suppose that this campaign was being conducted with the approval of the French Government since the French authorities in Tangier were certainly able to censor the publications of the "Dépêche marocaine." The object of the campaign seemed to be so to discredit Spanish administration in the Moroccan zone as to persuade public opinion in Europe that it could not be continued. The "Dépêche coloniale" had indeed said this in so many words, declaring that just as the scandal of Spanish administration in Cuba had led to the intervention of the United States, so the troubles in the Spanish zone of Morocco would lead to foreign intervention and the ejection of the Spaniards from that zone. The speeches made by Marshal Lyautey and the Sultan of Morocco, which were reported in my despatch No. 779 of the 26th ultimo, were also, stated his Excellency, instances of this attitude on the part of the French, and although he had brought these speeches to the notice of the French Government, the only answer that he had received was that they had not yet received any official report of the speeches and could not therefore be sure that they were correct as reported in the press. I need not trouble your Lordship by a repetition of the complaints of the Spanish Government with regard to French action relative to the Spanish zone and the Tangier zone, and I will only say that it seems to me that Señor Gonzalez Hontoria considers the situation between France and Spain as being more tense than it has been for a long time, and more likely than ever to lead to serious trouble unless a satisfactory solution of the Tangier problem can be found.

I have, &c.

ESME HOWARD.

[W 12937/12223/28] **No. 62.**

Mr. Clark Kerr to the Marquess Curzon of Kedleston.—(*Received December* 14.)

(No. 485. Very Confidential.)
My Lord, *Tangier, December* 3, 1921.

WITH reference to the penultimate paragraph of my despatch No. 459 of the 12th ultimo, I have the honour to inform your Lordship that the following four specific cases have been brought to my notice in which semsarships are held at Tangier by Moorish subjects in the name of French citizens who, under the terms of the Madrid Convention, have no claim to be the means of the grant of French protection :—

1. Sid Ahmed-ben-Abdesselam Ahardan—semsar of M. Saurin, a local lawyer, who is not a merchant and does no trade.

2. Abdel Kerim Mefaradj—semsar of the "Dépêche marocaine," a local French newspaper, which, it seems to me, could not in any sense represent itself to be a merchant, except, perhaps, as an importer of paper.

3. Idris-el-Griri Fahsi and Abdel Qader-el-Kholti—semsars of one Hamed Boutaleb Jaziri, an Algerian doing no trade.

4. D. Bensadon—semsar of the veuve Benvignan, who has left Morocco and is now residing in France, and who, I understand, is doing no business with this country.

The above do not, of course, by any means represent the total number of semsarships granted by the French at Tangier in contravention of the terms of the Madrid Convention, since it is well known in the town that both the French and Spanish agencies, in their effort to acquire political supremacy here, grant protection freely to any native desiring it, and even proffer it where it has not been asked.

An interesting instance of French methods has been afforded to me by Sid Mohammed-ben-Yahyia, the scribe of this agency, who informs me that his brother-in-law was recently sent for by the Basha, who pointed out that he had no foreign protection and said that arrangements could easily be made to grant him a French semsarship. The person concerned replied that he had never felt the need of foreign protection and did not propose now to try to acquire it. The Basha, however, urged him strongly to do so, pointing out the advantages which he would derive therefrom, and became so insistent that the person finally consented. The Basha then told him to call in three days' time at the French agency. He did so, and from a pile of certificates on the table one was handed to him bearing his name. He seemed vague as to the identity of his protector, but said that he understood the latter to be a Frenchman who was speculating in land and not a trader.

Further, I understand from Mr. Abensur, a British subject, who is the head of the local Jewish community and one of the directors of Messrs. Moses Pariente and Co., that Sid Mohammed Tazi, the Sultan's representative here, is at present pressing one of the leading Jewish families of Tangier to accept French protection for one of its members. Mr. Abensur was unwilling to reveal the name of the Jewish family concerned and was not therefore pressed to do so.

In conversation recently with Mr. Irwin, Sid Mohammed Tazi stated that His Majesty's was the only agency that strictly observed the rule providing for the presentation to him, at the beginning of each year, of lists of natives under foreign protection. For many years past the French agency had only done so occasionally, until the present year, when their list was handed in punctually. The Spaniards generally presented their list as late as September, and the other agencies were equally lax in this matter. None except His Majesty's agency ever paid attention to the protests which he was bound to make from time to time against the grant of certificates to persons as to whose right to hold them there was some doubt. Further, he stated that all the lists, including that of the French agency, bore names of semsars representing non-resident firms.

Sid Mohammed Tazi went on to say that he was unable to understand the scrupulosity practised by this agency in the matter of protection and asked why the example of the others was not followed, adding that, if we did not decide to do so at once, there would soon be no one left in Tangier to protect.

I much regret the delay that has occurred in furnishing your Lordship with the above information, and that it is, in itself, somewhat scanty, but it has been extremely difficult to obtain, since most of those who at first professed to be willing and eager to provide it proved reluctant to do so when asked for details. This reticence is, of course, due to the fear that in giving information they will get themselves into trouble. I venture, therefore, to request that, if any use be made of the substance of the present despatch, no mention be made of the names or the identity of the informants.

I have, &c.
A. K. CLARK KERR.

[W 12922/353/28] **No. 63.**

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received December* 14.)

(No. 805.)
My Lord, *Madrid, December* 8, 1921.

WITH reference to my despatch No. 766 of the 21st November enclosing copy of a note which, in accordance with your Lordship's instructions I addressed to Señor Gonzalez Hontoria respecting British claims in Morocco, I have the honour to inform your Lordship that I asked his Excellency yesterday when I could expect a reply. I pointed out that this being a question to which His Majesty's Government attached considerable importance, and that in view of the fact that they had suggested in June 1920 a Mixed Commission in order to settle these claims which had already then been outstanding for a number of years and had only given up this proposal on account on the assurances given them by the Spanish Government that the claims would very shortly be settled, it could not be said that His Majesty's Government had acted otherwise than with extreme patience and willingness to meet the views of the Spanish Government in this matter. I could therefore only emphasise the hope that I should shortly receive a favourable reply from his Excellency to the effect that the Spanish Government agreed to arbitration as proposed by your Lordship. Señor Gonzalez Hontoria replied that he had at once submitted the proposal to the Spanish authorities in Morocco, but that, owing no doubt to the High Commissioner being so occupied with the campaign and other matters he had not yet received any definite reply. He asked me what form of arbitration we had in view. I replied that I was not sure what your Lordship's ideas were on this point except that we appealed either under The Hague Convention or the Covenant of the League of Nations. His Excellency said he supposed we did not wish actually to submit what was in itself a small affair to The Hague Tribunal and suggested if the Spanish Government accepted arbitration it would be much less expensive and more expeditious if some arbitrator could be appointed by the two Governments on the spot and knew something of the conditions of the Spanish zone. I said that so far as I was concerned this certainly seemed to me the best form of procedure but I could not of course, answer for your Lordship in this matter. I should be grateful if you would let me know as early as possible in case this question comes up again for discussion between Señor Gonzalez Hontoria and myself what your views are as to the best method of procedure in this matter.

I have, &c.
ESME HOWARD.

[W 13057/790/28] **No. 64.**

Sir M. Cheetham to the Marquess Curzon of Kedleston.—(*Received December* 19.)

(No. 3526.)
My Lord, *Paris, December* 16, 1921.

WITH reference to Lord Hardinge's despatch No. 3215 of the 19th November, I have the honour to transmit to your Lordship herewith a note which I have received from the French Government giving the details of the proposed special régime in Tangier, which the French Government promised in their note of the 19th November to draw up, in conjunction with the Sultan of Morocco, for communication to your Lordship.

Your Lordship will observe that it is proposed to abolish the Corps diplomatique, and to substitute for it a municipal Government elected by colleges representing the various Powers, together with the Mussulman and Israelite inhabitants of the town. The voting weight of the various colleges is to be assigned in accordance with the

population and the commercial interests of the Powers. It will be noticed, however, that, whereas France, Spain and the Mussulman Moroccans each receive six votes, Great Britain is only given two. The French and the local votes would constitute a permanent majority. Moreover, the vice-presidents of the two municipal assemblies are to be of French and Spanish nationality respectively.

The scheme also provides for the abolition of the Capitulations and the introduction into Tangier of the normal laws of the protectorate.

These extraordinary proposals appear to be designed to place Tangier entirely in the hands of the French.

A copy of this despatch and its enclosure has been sent to His Majesty's representative at Tangier.

I have, &c.
MILNE CHEETHAM.

Enclosure in No. 64.

M. Briand to Lord Hardinge.

Ministère des Affaires étrangères,
le 15 décembre 1921.

M l'Ambas-adeur,

ME référant à la lettre de M. Bonnevay en date du 19 novembre dernier et en vue de donner satisfaction au désir que votre Excellence m'a exprimé, j'ai l'honneur de lui faire connaitre ci-après les vues du Gouvernement de la République concernant l'établissement à Tanger du régime spécial qui y est prévu par les traités. Je suis disposé à recommander à Sa Majesté chérifienne de prendre à ce sujet un dahir qui pourrait entrer en vigueur à très bref délai.

La souveraineté du Sultan sur son Empire est la base essentielle du Traité de Protectorat et des accords intervenus depuis 1904 entre la France, la Grande-Bretagne et l'Espagne. Une délégation spéciale de son autorité a été consentie par Sa Majesté chérifienne en faveur du Khalifat de la zone d'influence espagnole qui y exerce ses droits. Mais à Tanger, le Sultan n'a consenti à aucune délégation desdits droits.

Cependant, pour le Traité de Protectorat du 30 mars 1912 (article 1er, paragraphe 4), le Sultan a reconnu que "la ville de Tanger garderait le caractère spécial qui lui a été reconnu et qui déterminera son organisation municipale." Le Sultan donnait ainsi son adhésion aux dispositions des accords franco-anglais et franco-espagnol de 1904, relatifs à Tanger. Il admettait qu'en vue d'assurer la liberté du Détroit de Gibraltar, il ne serait élevé aucune fortification ou ouvrage stratégique quelconque sur les rives marocaines du détroit et que la ville de Tanger garderait le caractère spécial que lui donne la présence du Corps diplomatique et de ses institutions municipales et sanitaires.

Respectueuse de ses engagements, la France renouvelle son adhésion à ces réserves. En sa qualité de Puissance protectrice du Maroc, elle ne permettra pas que soit élevé sur le Détroit de Gibraltar aucun ouvrage stratégique autre que les fortins ou ouvrages purement défensifs permettant, le cas échéant, de défendre la ville contre les incursions des montagnards. En outre, Tanger et sa zone seront dotées du régime spécial que prévoient les traités.

Ce régime spécial devait résulter de la présence à Tanger du Corps diplomatique et des institutions municipales et sanitaires de la ville. Il y a lieu de remarquer toutefois que la reconnaissance du protectorat de la France au Maroc par les Puissances rendrait anormal le maintien à Tanger du Corps diplomatique, dont l'existence ne se justifie pas plus qu'à Tunis. Il resterait donc pour caractériser le régime spécial de Tanger l'existence dans cette ville "d'institutions municipales et sanitaires." A la demande de la France, le Sultan se propose de conserver ces institutions en leur attribuant des pouvoirs plus étendus.

Pour favoriser les intérêts des colonies étrangères à Tanger et pour assurer à l'Angleterre et à l'Espagne les sauvegardes prévues par les accords de 1904 et par les traités de 1912, le régime à établir à Tanger comportera :

La liberté commerciale et l'égalité douanière et fiscale pour tous les Européens, conformément aux conventions en vigueur dans le protectorat ; la liberté de l'enseignement dans le cadre prévu en cette manière par la législation du protectorat ; une administration municipale confiée aux représentants élus des indigènes (musulmans et israélites) et des colonies européennes ; la reconnaissance à cette assemblée de tous les

pouvoirs attribués aux municipalités (état civil, hygiène, hôpitaux, voirie, cadastre, travaux publics, municipaux, transports en commun, police municipale, élections municipales, corps de pompiers, vote des taxes municipales et du budget municipal, &c.), en un mot, l'attribution de compétence en des matières ne relevant pas du domaine législatif et réglementaire de l'Etat souverain, en l'espèce l'État chérifien.

Les Allemands et les Autrichiens étant, par les traités de paix, exclus du Maroc, la municipalité de Tanger comprendra des représentants français, anglais, espagnols, italiens, portugais, hollandais, belges, américains et des indigènes musulmans et israélites.

Pour éviter les rivalités et les luttes d'influence auxquelles pourraient donner lieu des élections de caractère international ou une fixation arbitraire du nombre des représentants au sein de la municipalité, il conviendra de prendre pour base de cette détermination le pourcentage de signes extérieurs aisément chiffrables et qui sont les suivants : nombre des ressortissants, chiffre du commerce général, valeur de la propriété immobilière, nombre des navires et moyenne des tonnages.

Si l'on se réfère à ces chiffres et en fixant au maximum à six le nombre des représentants de la nationalité la plus favorisée, la municipalité comprendra :

6 représentants français.
6 ,, espagnols.
2 ,, anglais.
1 ,, italien.
1 ,, hollandais.
1 ,, belge.
1 ,, portugais.
1 ,, américain.
6 musulmans marocains.
3 israélites marocains.

Ces vingt-huit conseillers municipaux élus par les colonies seront présidés par un représentant du Sultan possédant voix délibérative et désigné par le Gouvernement chérifien en dehors des conseillers élus. Ce président serait de préférence le pacha de la ville.

L'assemblée municipale aura, en outre, à élire dans son sein un vice-président français et un vice-président espagnol.

Pour répondre au vœu des colonies étrangères et pour marquer le désir de la France de respecter, dans toute la mesure compatible avec le progrès et les besoins actuels, les organismes municipaux que l'expérience a éprouvés de longue date à Tanger, il sera pris pour base des conditions de cens et d'élection celles qui sont fixées pour la Commission d'Hygiène et de Voirie créée en 1884, reconnue par un dahir du Sultan en 1892 et qu'un nouveau dahir transformerait en municipalité à pouvoirs étendus. Suivant les règles adoptées en général par les législations modernes, seront électeurs à la municipalité les étrangers visés ci-dessus âgés de 21 ans, résidant depuis un an à Tanger et régulièrement inscrits sur les listes électorales établies par une commission spéciale, après versement d'une taxe municipale pour frais d'enquête et d'inscription.

Tous les électeurs étrangers visés plus haut seront éligibles, à l'exception des employés d'État et des agents de la municipalité : toutefois, cette disposition ne s'appliquera pas aux musulmans pour lesquels une culture moins étendue pourrait rendre difficile le choix des conseillers municipaux aptes à cette charge et étrangers à toute fonction publique.

Les électeurs ressortissants des Puissances forment autant de collèges électoraux distincts qu'il y a de nationalités représentées à la municipalité.

Le collège indigène musulman comprend les électeurs marocains de religion musulmane. Les anciens protégés musulmans sont inscrits dans les collèges musulmans.

Les conditions requises pour être électeur et éligible dans ces collèges seront fixées par un dahir chérifien.

De même, le collège israélite comprend des électeurs israélites marocains. Les anciens protégés israélites seront inscrits dans le collège israélite. Les conditions requises pour être électeur et éligible dans ce collège seront fixées par un dahir chérifien.

Les membres de la municipalité sont élus pour une durée de quatre ans. Leurs fonctions sont gratuites.

La municipalité a pouvoir de décision pour les matières ci-dessous désignées.

Celles de ses délibérations qui comportent décision d'ordre financier ou administratif ne sont exécutoires qu'après approbation du Gouvernement chérifien.

Une des plus graves difficultés à surmonter provient de l'insuffisance des ressources financières de la zone par rapport à ses besoins. Par le seul souci d'équilibre entre les nationalités intéressées, on a encombré de fonctionnaires, dont l'existence ne se justifie pas toujours, l'administration de Tanger. Il conviendra de réduire le nombre des fonctionnaires municipaux au minimum en s'inspirant uniquement des qualités administratives et techniques des fonctionnaires.

On séparera du budget des recettes et des dépenses de caractère municipal le budget d'État qui correspond aux droits et aux devoirs de l'État souverain.

Le budget municipal comprendra les ressources provenant de la quote-part de la ville de Tanger sur le revenu du monopole des tabacs, des taxes minières, du service des eaux, des tramways, de l'éclairage électrique, de la taxe urbaine, des droits de marchés. Il s'augmentera des taxes à créer sur les voitures, le stationnement, les étalages, les cimetières, &c.

Le budget d'État, rattaché au budget général du protectorat, comprendra pour recettes les produits des douanes, les produits du domaine (dont une partie pourrait être abandonnée à la ville), les produits des droits de consommation (sucre, alcool, &c.), les bénéfices éventuels de l'exploitation du port et des postes et télégraphes.

Ce budget fera face aux charges de sécurité, aux charges de l'armée, aux dépenses de la justice, aux dépenses d'enseignement, aux dépenses des postes et télégraphes.

L'abolition des Capitulations qui suivra au Maroc l'abolition de l'Acte d'Algésiras placera Tanger sous la loi normale du protectorat. Le régime administratif spécial de Tanger ne peut en aucun cas être étendu au domaine judiciaire. Une justice spéciale à 12,000 ou 15,000 Européens entraînerait en effet des charges excessives. Après l'expérience déjà faite dans le protectorat marocain de la sauvegarde que présente pour les intérêts européens la législation spéciale instaurée dans le protectorat, il serait contraire au développement économique de Tanger de soustraire la ville à la législation générale du protectorat.

La sécurité que le Sultan doit assurer à ses sujets et aux Européens dans la zone de Tanger comporte l'entretien d'une force armée. Celle-ci existe déjà. Elle se compose : (1) de soldats chérifiens dont la permanence à Tanger depuis 1904 affirme le principe de la souveraineté du Sultan ; (2) des tabors franco-marocain et hispano-marocain créés par l'Acte d'Algésiras.

L'abrogation de cet Acte entraînera la suppression automatique de ces tabors et la garnison chérifienne de Tanger assurera le maintien de l'ordre et renforcera au besoin la police civile créée et entretenue par la municipalité.

Afin de donner aux intérêts économiques européens et particulièrement aux intérêts anglais et espagnols un large essor et une plus grande liberté à Tanger, où la navigation de ces Puissances est très active, on pourra créer dans le voisinage du port une zone franche, c'est-à-dire que, dans un emplacement clos, les navires passant à Tanger pourront, sans acquitter de droits de douane, entreposer, transformer et réembarquer leurs marchandises contre une simple taxe de magasinage.

L'ensemble de ces mesures fait ressortir le caractère spécial que le Gouvernement de la République, d'accord avec le Gouvernement chérifien, entend donner à Tanger. On rappelle, en effet, que les municipalités du protectorat ne comportent ni expression libre des suffrages publics, ni représentation des étrangers, ni la compétence étendue qui est réservée à l'assemblée municipale de Tanger.

Veuillez agréer, &c.
A. BRIAND.

[W 13320/13320/28] No. 65.

Mr. Clark Kerr to the Marquess Curzon of Kedleston.—(*Received December* 28.)

(No. 491. Confidential.)
Tangier, December 8, 1921.

My Lord,

DURING my recent visit to the French protectorate I spent a few days at Marrakesh, where I moved almost entirely in native circles. I was much struck by the widespread evidences of the pro-Islam propaganda at present being conducted by the French authorities and by the French press in the protectorate in virtue of the treaty with the Angora Government. It was quite clear that they were using this agreement as a ground upon which to claim that they were the only real friends of the Moslems, and

that in so doing they were inevitably drawing distinctions between themselves and His Majesty's Government that were much to the detriment of the latter. There was no doubt that this propaganda had begun to produce an effect, even upon the ignorant, happy-go-lucky, care-free people of Marrakesh, for I was constantly asked by natives whether it was true that Great Britain, who had been for so long the friend of Islam, had now really become its enemy, and, if so, what was the reason for this change of policy? Why had we yielded our place to France? I need not say that I lost no opportunity to explain that, in whatever light the policy of His Majesty's Government had been represented to them, we had in fact in no sense departed from our traditional friendship for Islam.

At the same, I understand from Dr. E. Verdon, who has just returned from a prolonged visit to Fez, that similar propaganda has met with very marked success at that place. When physician to the ex-Sultan, Mulai Abdel Aziz, Dr. Verdon spent many years at Fez, where he had a large number of intimate personal friends among the Moors, and earned for himself a wide and well-deserved measure of respect by reason of the fact that he was one of the few honest men amongst the band of British adventurers that surrounded the unfortunate monarch. He informed me that he was conscious of a very pronounced change of feeling on the part of the Fezis, who had always in the past clung tenaciously to the belief that Great Britain was the only Christian Power on whom Moslems could depend; whereas now they were allowing themselves to be persuaded that their trust had been misplaced. He discussed with some of his old friends the reason for this change and was told that it was of quite recent date and had been brought about by the unremitting propaganda that had followed the conclusion of the Angora Agreement. For some years past Fez had been shut off from all news of the Mahommedan world outside Morocco, as reference to my despatch No. 591 of the 1st December, 1920, will show. Suddenly, however, it would seem that its gates were opened to a flood of vernacular newspapers from Tunis that represented that His Majesty's Government had become the enemy of Islam, had sold themselves to the Greeks, had persecuted the Turks, and had imposed upon the natives of Mesopotamia an alien prince who was an apostate from Islam. When asked why they objected to the Emir Feisal, they replied that he had fought against the Turks and had attempted to wrest the Caliphate from the Sultan of Turkey, and, as proof that his rule had been imposed on Irak, they pointed out that in the pictures of his coronation that had appeared in the illustrated papers, no single Mahommedan had figured, but that he was surrounded by British officers. The attitude in regard to the Caliphate is interesting, inasmuch as hitherto the Moors have always been disposed to despise the Turk, refusing to recognise the Sultan's claim to be the Calipha and preferring to arrogate that right to the head of their own Shereefian family.

Dr. Verdon's informant also stated that the French political officers at Fez were actively and almost openly participating in this propaganda by making a practice of sending for Moorish notables and lecturing them on the subject of Great Britain's hostility to Islam, explaining that, while we were indeed loyal during the war, our policy had entirely changed since it came to an end, and that no faith at all need be set upon our promises nor upon our declared intention to grant independence to Egypt. Some consternation had, however, been caused recently amongst French officials by the arrival in Fez of one Tunisian newspaper, evidently not under Government control, which, in a leading article, demanded that France should afford to the people of Tunis the same generous measure of freedom that Great Britain was about to offer to Egypt. Amongst the general mass of anti-British literature, this article had, however, attracted but little attention, and the greater part of the population of Fez was beginning to yield to the influences now brought to bear upon it, and was persuaded that the negotiations between your Lordship and Adly Pasha were mere "bluff." This belief had caused a painful impression. No newspapers of Syrian or Egyptian origin were admitted to Fez.

Inasmuch as Fez in its way may be considered to be one of the most active centres of Islamic sentiment, this vicious anti-British propaganda may be of considerable importance, and may have its repercussion in Egypt, Palestine and elsewhere to the detriment of British interests. It should therefore, in my opinion, be carefully watched

In the midst of this apparently successful campaign, the French are suffering from the effects of a serious tactical mistake that even the Angora Agreement has not succeeded in mitigating. As your Lordship is probably aware, a scheme was set on foot by the French Government some time ago for the construction of a mosque at Paris. When the scheme materialised, the Bashas of the various districts of French

Morocco were invited to collect subscriptions towards the cost of building. Large sums were given by the Bashas of Marrakesh and Fez, while these functionaries and the Kaids of the country districts busied themselves collecting money from the people. In Marrakesh and Fez every householder and shopkeeper was forced, by threats of imprisonment, to subscribe a certain sum, the amount being fixed on a graduated scale, of which the minimum was, I understand, 100 fr. This inevitably led to great abuses, and while indeed some millions of francs were sent to Paris, hundreds of thousands went into the pockets of the native officials. Very naturally this procedure has caused intense and widespread indignation, but it is curious to note that while little resentment is felt in regard to the action of the native officials, whose peculation is regarded as natural, the French authorities who inspired the schemes have incurred a measure of odium that time alone can dissipate.

I have, &c.
A. K. CLARK KERR.

[W 13300/1968/28] No. 66.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received December* 28.)

(No. 832. Confidential.)
My Lord, *Madrid, December* 21, 1921.

I HAVE the honour to inform you that the United States Ambassador here, when speaking to me of the strained relations which unfortunately exist between Spain and France, asked me yesterday what the attitude of His Majesty's Government was with regard to the future of Tangier. I told him that we had never altered our views as to the necessity for internationalisation of Tangier, and that I believed His Majesty's Government was as firmly attached to the principle of internationalisation as ever, and had frequently so informed both the French and the Spanish Governments. Mr. Woods told me that this was also the view of the United States Government and was strongly supported by the reports which had recently been sent in by Admiral Niblack, and also by the despatches from the United States representative at Tangier, Mr. Blake. The latter had, indeed, frequently drawn the attention of the United States Government to the danger there was in allowing the present uncertain state of things in Tangier to continue much longer. Mr. Woods was evidently under the impression that the French Government only were putting in claims for special privileges in Tangier; but I told him that the Spanish Government always insisted that they had special rights over Tangier, although I believed that they would willingly accept a genuine system of internationalisation if it could be established.

In this connection, Mr. Woods told me that when he was in France, before coming to Spain, the French Government had insisted on his visiting the devastated areas as their guest, although he had already arranged to do so privately. They sent with him an official who was evidently well acquainted with the Moroccan question from the French point of view; and almost immediately the latter began a conversation on that subject. The gist of his remarks was that it was quite obvious that Spain could not manage her zone in Morocco, and that the best solution would be for her to sell it to France. Mr. Woods replied that he understood that the French Government was already considerably embarrassed financially, and was unable to repay foreign loans contracted during the war; and he asked, "Where will France find the money?" His French guide said that that could be arranged. Mr. Woods concluded by saying that he had no doubt that this personally-conducted tour had been arranged carefully beforehand in order if possible to bring him over to the French view of the proper solution of the Tangier question and of the ultimate fate of the Spanish zone. He said that in his opinion, however, it seemed to be essential that, in the interests of the world at large, at present not only should the Tangier zone be internationalised, but that Spain rather than France should remain in possession of the northern coast of Morocco.

I have, &c.
ESME HOWARD.

[W 13344/790/28] No. 67.

Mr. Robertson to the Marquess Curzon of Kedleston.—(*Received December* 28.)

(No. 47.)
(Telegraphic.) *Tangier, December* 28, 1921.

PARIS despatch No. 3526 to you.

French proposals are practically identical with those outlined to Mr. Kerr by M. Roberraynaud and reported by the former in his despatch No. 534 of 1920. They are tantamount to French control of Tangier zone. You will note important omission of Roberraynaud's points numbers 17, 18 and 19.

I have little to add to Kerr's comments and those of my predecessor except to emphasise that insistence on sovereignty of Sultan and close circumscription of power of municipality are the essence of the whole scheme. Evident object is that in the event of war Sultan could use Tangier in same way as rest of his dominions. Powers represented on municipality would probably not intervene.

We appear to have reached an *impasse* and it is becoming of urgent importance that Tangier question should be settled. French and Spanish agents hardly on speaking terms, with result that every petty incident is magnified out of all proportion. Armed conflict with disastrous results might occur at any moment and lead to Spanish and eventual French occupation of Tangier Meanwhile French encroachments and violation of treaty engagements continue as part of settled policy.

I understand His Majesty's Government have always held internationalism to be of vital importance, and I do not know how far they would be prepared to go in modifying this standpoint as part of general settlement with France. If France proved obdurate, could not we call her bluff by suggesting to her and to Spain that whole question should be submitted to League of Nations, who would be asked to provide also for permanent neutralisation of Tangier? I admit that analogy of Belgium is not encouraging, but France might hesitate to make belligerent use of Tangier and so give offence to all guaranteeing Powers.

French are clearly doing all they can to consolidate their position here and, by virtue of their control over local Moorish authorities and insistence on sovereignty of Sultan, powers of Diplomatic Body are gradually disappearing. Early settlement appears to me therefore essential if we are not shortly to be faced with *fait accompli*.

[W 12922/353/28] No. 68.

The Marquess Curzon of Kedleston to Sir E. Howard (*Madrid*).

(No. 660.)
Sir, *Foreign Office, December* 28, 1921.

I HAVE received your despatch No. 805 of the 8th instant regarding the submission to arbitration of British claims against the Spanish Government in respect to property in Morocco.

2 I agree that time and expense would be saved if the matter could be settled by reference to one arbitrator, but I am doubtful whether an arbitrator satisfactory to both Governments could be found from amongst persons acquainted with the local conditions of the Spanish zone. On the whole, I think that the best course would be to invite either the Danish, the Dutch, or the Swiss member of the new Permanent Court of International Justice to act as arbitrator, and that the British and Spanish cases should be put forward and argued by British and Spanish agents respectively. This procedure would certainly entail an economy, since justices of the Permanent Court are already in receipt of a salary or retaining fee paid by the League of Nations, and His Majesty's Government would therefore only have to pay the allowances already provided for in the terms of their appointments for the occasions upon which they have to sit as justices. Although His Majesty's Government could not, of course, claim their services as of right, I have little doubt that any one of them, if invited to do so, would be willing to go to Tangier on the terms indicated above and act as arbitrator on the spot.

3. I request that your Excellency will put forward the above proposal to the Spanish Government at the proper moment and endeavour to secure its acceptance. I may add, for your Excellency's information, that, if the Spanish Government agree to this arrangement, I propose to entrust the conduct of the British case to a lawyer, and place at his disposal the services of Mr. Atkinson, whose intimate knowledge of local conditions and of the history of the case should prove most valuable.

I am, &c.
CURZON OF KEDLESTON.

[W 13385/790/28] No. 69.

Mr. Clark Kerr to the Marquess Curzon of Kedleston.—(*Received December* 30.)

(No. 497.)
My Lord, *Tangier, December* 12, 1921.

WITH reference to my despatch No 425 of the 31st October, I have the honour to state that intensive propaganda is being conducted in the local French press in favour of beginning, without further delay, the work of constructing a port. The "Union française," which is the organ of the extreme French party, fills every vacant space in its pages with brief texts pointing out the urgency of the question. A few samples of this entertaining form of advertisement are enclosed herein.* The same newspaper recently published an article from the pen of its proprietor, M. A. Ménard, in which he took as his inspiration the report made to the Morocco group of the French Chamber by two Deputies, MM. Barety and Victor Jean, after a visit to this country. He welcomed their acknowledgment that the French colony at Tangier were almost at the end of their patience, but added that such professions of sympathy were not enough in themselves unless reinforced by acts; the French community, however, was not the only factor to be considered, and respect must also be accorded to the loudly expressed wish of the 60,000 Moslem inhabitants of the Tangier zone, who, through their leaders, had recently petitioned the Sultan to begin the port works; in spite of the assurance given by M. Peretti as far back as 1918 that the *de facto* supremacy of France at Tangier should receive *de jure* sanction, even the dominion of the Makhzen was still challenged by Spain, and the writer reluctantly assumed that her views were shared by His Majesty's Government.

2. Although the Spanish Government have expressed their willingness to undertake a share of the guarantee of the capital necessary for the construction of the port, I am disposed to doubt whether in fact they wish to see Tangier in a position to offer harbour facilities which would in the future rival those offered by Ceuta. To the British commercial community, however, the matter appears in a somewhat different light. While in general they are grateful to His Majesty's Government for the stand made against the grant of the concession in its present form, entailing as it would have done complete control by the French, they regard it as essential to their interests that proper facilities for landing goods should be provided as soon as possible. As your Lordship is aware, at present ships discharging goods at Tangier have to anchor in the bay at some distance from the shore and unload their merchandise into lighters, a process which is impossible in even moderately bad weather and which, in any case, entails additional expense. Rather than endure an indefinite continuance of the present chaotic state of affairs, the more mercenary of the British community would probably in their hearts prefer to see a port controlled by the French. Though it has never found open expression, it would be unnatural if this view were not held in some quarters. It is known that His Majesty's Government have protested against the assumption by the Makhzen of the guarantee of the interest on the capital of the International Company, but the fear exists that they may not be prepared to undertake any part of it themselves. It is not regarded as likely that any private group would be prepared to undertake any financial responsibility while the future status of Tangier remains in doubt. In the absence, therefore, of any indication that His Majesty's Government share the readiness of the Spanish Government to pursue their policy to the point of guaranteeing the interest on a part of the capital necessary for constructing a port, it is not unnatural that the British commercial community should be inspired with grave fears that the material interests of Tangier may be sacrificed to diplomatic intransigence.

3. I have tried to indicate the state of mind in which British merchants approach the question of the port concession, which is regarded locally as being merely a part of the larger question of the future status of Tangier, and, in view of the terms of the Treasury letter of the 3rd August which was enclosed in your Lordship's despatch No. 231 of the 23rd August, I find great difficulty in giving satisfactory replies to the enquiries addressed to me by the British community. I should therefore be grateful for your Lordship's guidance as to the attitude which I should adopt.

I have, &c.
A. K. CLARK KERR.

* Not printed.

[W 13412/790/28] No. 70.

Mr. Robertson to the Marquess Curzon of Kedleston.—(*Received December* 31.)

(No. 509.)
My Lord, *Tangier, December* 21, 1921.

WITH reference to Mr. Kerr's despatch No. 496 of the 12th instant, I have the honour to transmit to your Lordship herewith an article* which appeared in the "Dépêche marocaine" of the 16th instant, giving the views of M. Malégarie, Director of the Public Works Department of Tangier, with regard to the possibility of an early beginning of the port works.

Your Lordship will observe that, while no mention is made of the objections to the concession raised by His Majesty's Government, M. Malégarie states that the contracts for certain preliminary works will be allotted by adjudication early next year. In the course of conversation with M. Malégarie I asked him whether the facts were as stated, and whether it was indeed the intention of the concessionary company shortly to undertake some work of construction. M. Malégarie replied that when in Paris recently he had gained the impression that the company did propose to build an *appontement*, or jetty, at the instance of the Tangier-Fez Railway Company, in order to facilitate the landing of the heavy material which the latter would soon need for their line, but he indicated that the interviewer had somewhat exaggerated what he had said with regard to the putting in hand of the more important preliminary works forming part of the main port scheme, and that he really did not know what the intentions of the company were in this respect. When I expressed surprise that the company should contemplate the construction of any kind of work while the whole question of the port was under discussion, he replied that he felt sure that the present plan was without prejudice to the exchange of views which was now taking place between His Majesty's Government and the French Government. I explained to him that even so my surprise remained undiminished, and I added that, if the intentions of the concessionary company were as he had described, no time should be lost in securing their communication by the French Government to His Majesty's Government, in order that the painful impression produced upon the latter by the manner in which the port concession was granted should not be enhanced by a procedure which would doubtless otherwise be regarded as an attempt to force the hand of his Majesty's Government.

It seems to me that no justifiable exception could be taken to the construction of an *appontement* for the railway company, provided that it be clearly understood that it does not in any way prejudice the question at issue, but I am of opinion that very specific information should be asked for in regard to the other "preliminary works" foreshadowed in the enclosed extract to which M. Malégarie referred.

I have, &c.
ARNOLD ROBERTSON.

[W 13419/353/28] No. 71.

Sir E. Howard to the Marquess Curzon of Kedleston.—(*Received December* 31.)

(No. 257.)
(Telegraphic.) R. *Madrid, December* 30, 1921.

YOUR despatch No. 571.

Minister of State asked me last night to discussion of arbitration of Morocco claims. He began by saying that he was speaking informally, as he had not, since receiving reply of High Commissioner, to whom he sent my note of 19th November, had time to consult Minister of War, who left for Melilla yesterday. He considered that claims should be divided into three categories:—

1. Those of Er-Rzini and one or two others for lands occupied by military authorities for different purposes. These might be submitted to English and Spanish representatives on Paris commission for settlement of mining disputes n Morocco, and, if they could not agree, president of that commission [one group undecypherable] assist.

2. Claims arising out of expropriation of land for construction of railways or other public works. Such claims ought to be valued on the spot on basis of Spanish

* Not printed.

regulations governing such expropriations by two experts representing Spanish Government and claimants respectively.

3. Claims for damages to property or thefts consequent on Kabyle rebellion and military operations. Minister of State said that Spanish Government considered indemnity on this score would be payable as an act of grace and not of right. This was position taken up by French Government in their zone. Spanish Government would therefore argue that such claims were not suitable for arbitration, and he developed at considerable length argument of danger there would be in insisting on legal responsibility of Governments for acts committed during colonial insurrections.

I asked him to send me a memorandum stating his views in time for next bag, after he had seen Minister of War. This he promised to do.

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